

HOUSE BILL 1252

Q1

4lr2414

By: **Delegates Wilson, Costa, Glenn, Haynes, K. Kelly, Love, Stein, Tarrant, Vaughn, and Walker**

Introduced and read first time: February 7, 2014

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax Exemption – Disabled Veterans and Surviving Spouses –**
3 **Percentage of Disability**

4 FOR the purpose of expanding eligibility for a property tax exemption for disabled
5 veterans and surviving spouses of veterans to include veterans and surviving
6 spouses of veterans with at least a certain percentage of service connected
7 disability; requiring that the amount of the property tax exemption be equal to
8 the percentage of service connected disability of the disabled veteran; making
9 conforming changes; providing for the application of this Act; and generally
10 relating to the property tax exemption for disabled veterans and surviving
11 spouses of veterans.

12 BY repealing and reenacting, with amendments,
13 Article – Tax – Property
14 Section 7–208(a) and (b)
15 Annotated Code of Maryland
16 (2012 Replacement Volume and 2013 Supplement)

17 BY adding to
18 Article – Tax – Property
19 Section 7–208(a–1)
20 Annotated Code of Maryland
21 (2012 Replacement Volume and 2013 Supplement)

22 BY repealing and reenacting, without amendments,
23 Article – Tax – Property
24 Section 7–208(c) and (d)
25 Annotated Code of Maryland
26 (2012 Replacement Volume and 2013 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article – Tax – Property**

4 7–208.

5 (a) (1) In this section the following words have the meanings indicated.

6 (2) (i) “Disabled veteran” means an individual who:

7 1. is honorably discharged or released under honorable
8 circumstances from active military, naval, or air service as defined in 38 U.S.C. § 101;
9 and

10 2. has been declared by the Veterans’ Administration to
11 have a permanent [100%] **50% OR GREATER** service connected disability that results
12 from blindness or other disabling cause that:

13 A. is reasonably certain to continue for the life of the
14 veteran; and

15 B. was not caused or incurred by misconduct of the
16 veteran.

17 (ii) “Disabled veteran” includes an individual who qualifies
18 posthumously for a [100%] **50% OR GREATER** service connected disability.

19 (3) “Dwelling house”:

20 (i) means real property that is:

21 1. the legal residence of a disabled veteran or a
22 surviving spouse; and

23 2. occupied by not more than 2 families; and

24 (ii) includes the lot or curtilage and structures necessary to use
25 the real property as a residence.

26 (4) “Surviving spouse” means an individual who has not remarried
27 and who:

28 (i) is the surviving spouse of a disabled veteran;

29 (ii) is the surviving spouse of an individual who died in the line
30 of duty; or

1 (iii) receives Dependency and Indemnity Compensation from the
2 United States Department of Veterans Affairs.

3 (5) “Individual who died in the line of duty” means an individual who
4 died while in the active military, naval, or air service of the United States as a result
5 of an injury or disease that is deemed under 38 U.S.C. § 105 to have been incurred in
6 the line of duty.

7 **(A-1) A DISABLED VETERAN OR A SURVIVING SPOUSE THAT MEETS THE**
8 **REQUIREMENTS OF THIS SECTION SHALL RECEIVE A PROPERTY TAX EXEMPTION**
9 **FOR A DWELLING HOUSE OF AN AMOUNT EQUAL TO THE PERCENTAGE OF**
10 **SERVICE CONNECTED DISABILITY OF THE DISABLED VETERAN.**

11 (b) Except as provided in subsection (e) of this section, a dwelling house is
12 exempt from property tax **TO THE EXTENT PROVIDED IN SUBSECTION (A-1) OF**
13 **THIS SECTION** if:

14 (1) the dwelling house is owned by:

15 (i) a disabled veteran;

16 (ii) a surviving spouse of an individual who died in the line of
17 duty, if:

18 1. the dwelling house was owned by the individual at the
19 time of the individual’s death;

20 2. the dwelling house was acquired by the surviving
21 spouse within 2 years of the individual’s death, if the individual or the surviving
22 spouse was domiciled in the State as of the date of the individual’s death; or

23 3. the dwelling house was acquired after the surviving
24 spouse qualified for exemption for a former dwelling house under item 1 or 2 of this
25 item, to the extent of the previous exemption; or

26 (iii) a surviving spouse of a disabled veteran who meets the
27 requirements of subsection (c) of this section; and

28 (2) the application requirements of subsection (d) of this section are
29 met.

30 (c) Except as provided in subsections (d) and (e) of this section, after a
31 disabled veteran dies, the surviving spouse of the disabled veteran shall receive a
32 disabled veteran’s property tax exemption:

- 1 (1) for the dwelling house that was formerly owned by the disabled
2 veteran:
- 3 (i) if the dwelling house received an exemption under this
4 section; and
- 5 (ii) if the surviving spouse owns and resides in the dwelling
6 house;
- 7 (2) for the dwelling house that was formerly occupied by the disabled
8 veteran:
- 9 (i) if the dwelling house did not receive an exemption under
10 this section;
- 11 (ii) if the disabled veteran was domiciled in the State at death;
12 and
- 13 (iii) if the surviving spouse owns and resides in the dwelling
14 house; and
- 15 (3) for a dwelling house subsequently acquired by the surviving
16 spouse, equal to the exemption for the former dwelling house when the dwelling house
17 owned by the surviving spouse was transferred by the surviving spouse:
- 18 (i) if the surviving spouse owns and resides in the subsequently
19 acquired dwelling house; and
- 20 (ii) if the surviving spouse has qualified under item (1) or (2) of
21 this subsection.
- 22 (d) (1) A disabled veteran or a surviving spouse of a disabled veteran shall
23 apply for an exemption under this section by providing to the supervisor:
- 24 (i) a copy of the disabled veteran's discharge certificate from
25 active military, naval, or air service; and
- 26 (ii) on the form provided by the Department, a certification of
27 the disabled veteran's disability from the Veterans' Administration.
- 28 (2) The disabled veteran's certificate of disability may not be inspected
29 by individuals other than:
- 30 (i) the disabled veteran; or
- 31 (ii) appropriate employees of the State, a county, or a municipal
32 corporation.

1 (3) A surviving spouse of an individual who died in the line of duty
2 shall apply for an exemption under this section by providing to the supervisor
3 certification that the individual died while in active service as a result of an injury or
4 disease incurred in the line of duty.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 June 1, 2014, and shall be applicable to all taxable years beginning after June 30,
7 2014.