SENATE BILL 258

By: Senators Patterson, Benson, Hough, Simonaire, and Young
Requested: October 13, 2020
Introduced and read first time: January 13, 2021
Assigned to: Budget and Taxation

A BILL ENTITLED

AN ACT concerning

Property Tax Exemption – Disabled Veterans

F OR the purpose of expanding eligibility for a property tax exemption for the dwelling house of a disabled veteran to include veterans with at least a certain percentage of service connected disability; providing for the application of this Act; and generally relating to a property tax exemption for the dwelling house of a disabled veteran.

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 7–208(a)
Annotated Code of Maryland
(2019 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,
Article – Tax – Property
Section 7–208(b)
Annotated Code of Maryland
(2019 Replacement Volume and 2020 Supplement)

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

Article – Tax – Property

7–208.

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

(2) “Disabled active duty service member” means an individual in active service of the military, naval, or air service as defined in 38 U.S.C. § 101 who has a service

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
connected physical disability that:

(i) is reasonably certain to continue for the life of the service member; and

(ii) was not caused or incurred by misconduct of the service member.

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

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

2. has been declared by the Veterans’ Administration to have a permanent [100%] service connected disability OF AT LEAST 80% that results from blindness or other disabling cause that:

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

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

(ii) “Disabled veteran” includes an individual who qualifies posthumously for a [100%] service connected disability OF AT LEAST 80%.

(4) “Dwelling house”:

(i) means real property that is:

1. the legal residence of a disabled active duty service member, disabled veteran, or surviving spouse; and

2. occupied by not more than 2 families; and

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

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

(6) “Surviving spouse” means an individual who has not remarried and who:

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

(ii) is the surviving spouse of an individual who died in the line of duty; or
(iii) receives Dependency and Indemnity Compensation from the United States Department of Veterans Affairs.

(b) Except as provided in subsection (e) of this section, a dwelling house is exempt from property tax if:

(1) the dwelling house is owned by:

(i) a disabled active duty service member;

(ii) a disabled veteran;

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

1. the dwelling house was owned by the individual at the time of the individual's death;

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

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

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

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

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2021, and shall be applicable to all taxable years beginning after June 30, 2021.