

**Department of Legislative Services**  
Maryland General Assembly  
2022 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

House Bill 923  
Ways and Means

(Delegate Valderrama)

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**Property Tax - Exemption for Dwellings of Surviving Spouses of Disabled Veterans - Application**

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This bill alters the application requirements for a specified property tax exemption for a dwelling house owned by the surviving spouse of a disabled veteran. Specifically, the bill adds dependency and indemnity compensation documentation from the U.S. Department of Veterans' Affairs (VA) as a means of verifying the veteran's disability. **The bill takes effect June 1, 2022, and applies to taxable years beginning after June 30, 2022.**

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**Fiscal Summary**

**State Effect:** None. The requirements of the bill can be handled with existing budgeted resources of the State Department of Assessments and Taxation (SDAT).

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** The real property owned by disabled veterans, as their legal residence, is exempt from taxation, if specified requirements are met. A disabled veteran is an individual who is honorably discharged or released under honorable circumstances from active service in any branch of the U.S. Armed Forces. To qualify for the tax exemption, the disabled veteran must have a 100% service-connected disability rating. Real property owned by the surviving spouse of a disabled veteran and the surviving spouse of an individual who died in the line of duty while in active military, naval, or air service of the United States is exempt from taxation. In addition, a home owned by the surviving spouse

of a veteran of the U.S. Armed Forces who receives Dependency and Indemnity Compensation from the VA is eligible for a property tax exemption under specified circumstances.

A disabled veteran or a surviving spouse of a disabled veteran must apply for the property tax exemption by providing to the Supervisor of Assessments (1) a copy of the disabled veteran's discharge certificate from active military, naval, or air service and (2) a certification of the disabled veteran's disability from the VA on the form provided by SDAT.

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## **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Anne Arundel County; Baltimore County; Dorchester County; Garrett County; Howard County; Montgomery County; State Department of Assessments and Taxation; Department of Legislative Services

**Fiscal Note History:** First Reader - February 20, 2022  
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