

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 18-102—sHB 5239

Veterans' Affairs Committee

Planning and Development Committee

AN ACT CONCERNING ELIGIBILITY FOR CERTAIN VETERANS' PROPERTY TAX EXEMPTIONS

SUMMARY: This act allows municipalities that provide certain additional optional veterans' property tax exemptions to increase the income thresholds for eligibility.

Under prior law, municipalities could offer property tax exemptions to veterans with income below (1) the state's income limit for other veterans' property tax exemptions, set annually by the Office of Policy and Management (OPM) (for 2018, \$35,300 for individuals and \$43,000 for married couples) or (2) an amount the municipality set, up to \$25,000 more than the state limit. The act instead allows municipalities to set the income limit, with the minimum being the amount OPM sets.

The act applies the new income thresholds to existing law's optional municipal property tax exemptions for (see BACKGROUND for a description of the eligibility criteria):

1. wartime veterans;
2. disabled veterans;
3. the unmarried surviving spouse of a veteran; and
4. veterans who are not entitled to state-mandated property tax exemptions for wartime, disabled, or service-related severely disabled veterans.

EFFECTIVE DATE: October 1, 2018, and applicable to assessment years commencing on or after that date.

BACKGROUND

Property Tax Exemption Eligibility

Wartime Veterans. The state-mandated veterans' property tax exemption is available to state resident veterans who served at least 90 days in a time of war. A "veteran" is anyone discharged or released under honorable conditions from active service in the U.S. Armed Forces (Army, Navy, Marine Corps, Coast Guard, and Air Force and any reserve component of these branches, including the Connecticut National Guard performing duty under Title 32 of federal law). PA 18-47 expands the definition of veterans to also include those who (1) were discharged under conditions other than dishonorable or for bad conduct and (2) have a "qualifying condition" (i.e., a diagnosis of post-traumatic stress disorder or traumatic brain injury, or who have disclosed a military sexual trauma experience)(CGS § 12-81(19)).

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Veterans with Disabilities. The law provides state-mandated property tax exemptions to veterans with a VA-rated disability of at least 10% (CGS § 12-81(20)). (The disability does not have to be service-related and, unlike the exemptions for non-disabled veterans, wartime service is not required to qualify.)

Veterans with Service-related Severe Disabilities. The law provides an additional exemption for veterans with service-related severe disabilities (e.g., paraplegia)(CGS § 12-81(21)).

Surviving Spouse. A state-mandated property tax exemption is available to an unmarried surviving spouse of a veteran who qualified for the wartime state-mandated exemption described above (CGS § 12-81(22)).

Related Act

PA 18-72 conforms the income threshold for the optional additional property tax for veterans who are not entitled to certain state-mandated property tax exemptions to those generally used by other veterans' property tax exemptions.