

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-SEVENTH LEGISLATURE**      **S.F. No. 959**

(SENATE AUTHORS: VANDEVEER, Daley, Parry and Wiger)

DATE	D-PG	OFFICIAL STATUS
03/21/2011	605	Introduction and first reading Referred to State Government Innovation and Veterans
04/28/2011	1451 1532a	Author added Wiger Comm report: To pass as amended and re-refer to Taxes See HF42, Art. 6, Sec. 7 (vetoed) See HF20, Art. 5, Sec. 8 (First Special Session)

A bill for an act

relating to veterans; extending eligibility for the disabled veterans homestead market value exemption for surviving spouses of qualified disabled veterans, and inclusion of certain approved primary family caregivers of qualified disabled veterans; amending Minnesota Statutes 2010, section 273.13, subdivision 34.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2010, section 273.13, subdivision 34, is amended to read:

Subd. 34. **Homestead of disabled veteran or family caregiver.** (a) All or a portion of the market value of property owned by a veteran ~~or by the veteran and the~~ and serving as the veteran's ~~spouse qualifying for homestead classification under subdivision 22 or 23,~~ is excluded in determining the property's taxable market value if ~~it serves as the homestead of a military veteran, as defined in section 197.447, who~~ has a service-connected disability of 70 percent or more as certified by the United States Department of Veterans Affairs. To qualify for exclusion under this subdivision, the veteran must have been honorably discharged from the United States armed forces, as indicated by United States Government Form DD214 or other official military discharge papers, ~~and must be certified by the United States Veterans Administration as having a service-connected disability.~~

(b)(1) For a disability rating of 70 percent or more, \$150,000 of market value is excluded, except as provided in clause (2); and

(2) for a total (100 percent) and permanent disability, \$300,000 of market value is excluded.

(c) If:

(1) a disabled veteran qualifying for a valuation exclusion under paragraph (b), clause (2); or

2.1 (2) a member of any branch or unit of the United States armed forces who dies due  
2.2 to a service connected cause while serving honorably in active service, as indicated on  
2.3 United States Government Form DD1300 or DD2064;  
2.4 predeceases the veteran's or service member's spouse, and if upon the death of the veteran  
2.5 or service member the spouse holds the legal or beneficial title to the homestead and  
2.6 permanently resides there, the exclusion shall carry over to the benefit of the ~~veteran's~~  
2.7 spouse for ~~one additional assessment year~~ the current taxes payable year and for five  
2.8 additional taxes payable years or until such time as the spouse remarries, or sells, transfers,  
2.9 or otherwise disposes of the property, whichever comes first.

2.10 (d) A surviving spouse qualifying for a market valuation exclusion under paragraph  
2.11 (c), clause (2), is eligible for the same level of benefit as that described in paragraph  
2.12 (b), clause (2).

2.13 (e) If a veteran meets the disability criteria of paragraph (a) but does not own  
2.14 property classified as homestead in the state of Minnesota, then the homestead of the  
2.15 veteran's primary family caregiver, if any, is eligible for the exclusion that the veteran  
2.16 would otherwise qualify for under paragraph (b).

2.17 ~~(d)~~ (f) In the case of an agricultural homestead, only the portion of the property  
2.18 consisting of the house and garage and immediately surrounding one acre of land qualifies  
2.19 for the valuation exclusion under this subdivision.

2.20 ~~(e)~~ (g) A property qualifying for a valuation exclusion under this subdivision is  
2.21 not eligible for the credit under section 273.1384, subdivision 1, or classification under  
2.22 subdivision 22, paragraph (b).

2.23 ~~(f)~~ (h) To qualify for a valuation exclusion under this subdivision a property owner  
2.24 must apply to the assessor by July 1 of each assessment year, except that an annual  
2.25 reapplication is not required once a property has been accepted for a valuation exclusion  
2.26 under paragraph (a) and qualifies for the benefit described in paragraph (b), clause (2), and  
2.27 the property continues to qualify until there is a change in ownership.

2.28 (i) A first-time application by a qualifying spouse for the market value exclusion  
2.29 under paragraph (c), clause (2), may be made at any time during the year of or year  
2.30 following the death of the veteran or service member who predeceased the spouse.

2.31 (j) For purposes of this subdivision:

2.32 (1) "active service" has the meaning given in section 190.05;

2.33 (2) "own" means that the person's name is present as an owner on the property deed;

2.34 (3) "primary family caregiver" means a person who is approved by the secretary of  
2.35 the United States Department of Veterans Affairs for assistance as the primary provider  
2.36 of personal care services for an eligible veteran under the Program of Comprehensive

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3.1 Assistance for Family Caregivers, as established by Public Law 111-163 and codified as  
3.2 United States Code, title 38, section 1720G, as amended by Congress at any time; and

3.3 (4) "veteran" has the meaning given the term in section 197.447.

3.4 (k) The purpose of this provision of law providing a level of homestead property tax  
3.5 relief for gravely disabled veterans, their primary family caregivers, and their surviving  
3.6 spouses is to help ease the burdens of war for those among our state's citizens who bear  
3.7 those burdens most heavily.

3.8 **EFFECTIVE DATE.** This section is effective for assessment year 2011 and  
3.9 thereafter, for taxes payable in 2012 and thereafter.