

HB 3287 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 2/20

WHAT THE MEASURE DOES:

Increases the lower property tax exemption amount for the homestead or personal property of certain disabled veterans or certain surviving spouses of veterans from \$25,537 of assessed value (2024-25 tax year) to \$60,000. Increases the higher exemption amount from \$30,464 of assessed value (2024-25 tax year) to \$65,000. Creates new exemption of \$150,000 of assessed value. Creates new exemption of 90 percent of assessed value. Applies to property tax years beginning on or after July 1, 2026.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A veteran who has a disability rating of 40 percent or more certified by the U.S. Department of Veteran Affairs or any branch of U.S. Armed Forces may have \$15,000 of the assessed value of their homestead or personal property exempt from property tax. A veteran who has a disability rating certified by a duly licensed physician or naturopathic physician must have income that is no more than 185 percent of federal poverty guidelines. A veteran who has a service-connected disability rating of 40 percent or more certified by the U.S. Department of Veteran Affairs or any branch of U.S. Armed Forces may have \$18,000 of the assessed value of their homestead or personal property exempt from property tax. Both exemption amounts increase by three percent per year. For the 2024-25 tax year, the lower exemption amount is \$25,537 and the higher exemption amount is \$30,464. A veteran may receive a refund, with interest, for any taxes and interest paid on exempt value for the three tax years prior to the tax year in which an initial claim is filed.

The surviving spouse of a veteran who has not remarried may also qualify for the lower exemption amount, regardless of whether the veteran was disabled. For a surviving spouse of a veteran to qualify for the higher exemption amount, the veteran must have died from a service-connected injury or illness or qualified for the higher exemption amount for at least one year.