

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE DRH80132-MC-112 (03/07)

Short Title: Modify Disabled Vet Property Tax Exemption.

(Public)

Sponsors: Representative McElraft.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ENHANCE THE DISABLED VETERAN PROPERTY TAX HOMESTEAD
3 EXCLUSION FOR COMBAT-RELATED DISABLED VETERANS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 105-277.1C reads as rewritten:

6 "§ 105-277.1C. Disabled veteran property tax homestead exclusion.

7 (a) Classification. – A permanent residence owned and occupied by a qualifying owner
8 is designated a special class of property under Article V, Section 2(2) of the North Carolina
9 Constitution and is taxable in accordance with this section. The first forty-five thousand dollars
10 (\$45,000) of appraised value of the residence is excluded from ~~taxation~~taxation for a
11 qualifying owner due to a service-connected disability, and the greater of forty-five thousand
12 dollars (\$45,000) or fifty percent (50%) of the appraised value of the residence is excluded
13 from taxation for a qualifying owner due to a combat-related disability. A qualifying owner
14 who receives an exclusion under this section may not receive other property tax relief.

15 (b) Definitions. – The following definitions apply in this section:

16 (1) Combat-related. – Defined in 10 U.S.C. § 1413a.

17 (1a) Disabled veteran. – A veteran of any branch of the Armed Forces of the
18 United States whose character of service at separation was honorable or
19 under honorable conditions and who satisfies one of the following
20 requirements:

21 a. As of January 1 preceding the taxable year for which the exclusion
22 allowed by this section is claimed, the veteran had received benefits
23 under 38 U.S.C. § 2101.

24 b. The veteran has ~~received a certification by the United States~~
25 ~~Department of Veterans Affairs or another federal agency indicating~~
26 ~~that received,~~ as of January 1 preceding the taxable year for which
27 the exclusion allowed by this section is claimed, either or both a
28 certification by the United States Department of Veterans Affairs
29 indicating that the veteran he or she has a service-connected,
30 permanent, and total disability-disability or a certification by the
31 United States Department of Defense indicating that the veteran has a
32 combat-related, permanent, and total disability or both.

33 c. The veteran is deceased and the United States Department of
34 Veterans Affairs or ~~another federal agency~~the United States
35 Department of Defense has certified that, as of January 1 preceding



1 the taxable year for which the exclusion allowed by this section is
2 claimed, the veteran's death was the result of a service-connected or
3 combat-related condition.

4 (2) Repealed by Session Laws 2009-445, s. 22(c), effective for taxes imposed
5 for taxable years beginning on or after July 1, 2009.

6 (3) Permanent residence. – Defined in G.S. 105-277.1.

7 (4) Property tax relief. – Defined in G.S. 105-277.1.

8 (4a) Qualifying owner. – An owner, as defined in G.S. 105-277.1, who is a North
9 Carolina resident and one of the following:

10 a. A disabled veteran.

11 b. The surviving spouse of a disabled veteran who has not remarried.

12 (5), (6) Repealed by Session Laws 2009-445, s. 22(c), effective for taxes imposed
13 for taxable years beginning on or after July 1, 2009.

14 (7) Service-connected. – Defined in 38 U.S.C. § 101.

15 ...

16 (f) Application. – An application for the exclusion allowed under this section should be
17 filed during the regular listing period, but may be filed and must be accepted at any time up to
18 and through June 1 preceding the tax year for which the exclusion is claimed. An applicant for
19 an exclusion under this section for a service-connected disability must establish eligibility for
20 ~~the~~ that exclusion by providing a copy of the veteran's ~~disability~~ certification of
21 service-connected disability or evidence of benefits received under 38 U.S.C. § 2101. An
22 applicant for an exclusion under this section for a combat-related disability must establish
23 eligibility for that exclusion by providing a copy of the veteran's certification of combat-related
24 disability."

25 **SECTION 2.** This act is effective for taxes imposed for taxable years beginning on
26 or after July 1, 2011.