

Date of Hearing:

ASSEMBLY COMMITTEE ON MILITARY AND VETERANS AFFAIRS
Esmeralda Soria, Chair
SB 82 (Seyarto) – As Amended March 14, 2023

SENATE VOTE: 37-0

SUBJECT: Property taxation: disabled veterans' exemption: eligibility letters

SUMMARY: Requires a county assessor to accept an electronically-generated letter of service-connected disability in lieu of an original letter of service-connected disability. Specifically, **this bill:**

- 1) Requires a county assessor to accept an electronically-generated letter of service-connected disability in lieu of an original letter of service-connected disability, at the discretion of the claimant, when verifying eligibility for the disabled veterans' exemption.
- 2) Defines "letter of service-connected disability" as a letter from the United States Department of Veterans Affairs (USDVA) that provides a benefit summary of the claimant's service-connected disability for purposes of claiming disabled veterans' exemptions.
- 3) Provides that the state shall not reimburse local agencies for property tax revenue losses, instead stating that should the Commission on State Mandates determine that the bill imposes a reimbursable mandate, reimbursement must be made pursuant to existing statutory provisions.

EXISTING LAW:

- 1) Provides that all property is taxable unless explicitly exempted by the California Constitution or federal law. (California Constitution, Article XIII, Section 1.)
- 2) Allows the Legislature to exempt from property taxation in whole or in part the home of a veteran or veteran's spouse if the veteran, because of injury incurred in military service, is blind in both eyes, has lost the use of 2 or more limbs, or is totally disabled, or if the veteran has, as a result of a service-connected injury or disease, died while on active duty in military service, unless the home is receiving another real property exemption. (California Constitution, Article XIII, Section 4, Subdivision (a).)
- 3) Exempts from property taxes the principal place of residence of a veteran, that is owned by the veteran, the veteran's spouse, or the veteran and the veteran's spouse jointly, if the veteran is disabled as a result of injury or disease incurred in military service, or if the veteran has, as a result of a service-connected injury or disease, died while on active duty in military service. The property tax exemption is on that part of the full value of the residence that does not exceed \$100,000, or \$150,000 if the household income of the claimant does not exceed \$40,000, as adjusted for inflation, as specified. (Revenue and Taxation Code Section 205.5.)
- 4) Requires that anyone claiming the disabled veterans' exemption file a claim with the County Assessor. (Revenue and Taxation Code Section 227.)

FISCAL EFFECT: This bill is keyed fiscal, but was moved to second reading from the Senate Committee on Appropriations pursuant to Senate Rule 28.8.

COMMENTS: This bill is intended to address a purported deviation in practices between county assessors in establishing eligibility for the property tax exemption made available to disabled veterans, their spouses, and their surviving spouses. According to the author, some assessors accept electronically-generated letters establishing disability from the USDVA, while a few others accept only printed originals.

Notably, the California Assessors' Association supports the bill, writing: "We believe it is our duty to continue to support our nation's disabled veterans and that we continue to adjust to the ever-changing times of technological advances and use them as a tool to support our communities."

According to the author, "SB 82 establishes universal standards between counties on document requirements for the disabled veterans' property tax exemption. This clarification of acceptable documents will serve to remove arbitrary barriers to well-deserved benefits for our veterans and their families."

USDVA disability ratings

Disability ratings are assigned in 10 point increments, from 10 to 100 percent. A 100 percent disabled veteran is very likely going to depend heavily upon disability compensation from the USDVA. The amount of compensation is based on the severity of the disability, and the size of the veteran's household, including dependent parents.

REGISTERED SUPPORT / OPPOSITION:

Support

American Legion, Department of California
AMVETS, Department of California
California Assessors' Association
California Association of County Veterans Service Officers
California State Commanders Veterans Council
Military Officers Association of America, California Council of Chapters
Vietnam Veterans of America, California State Council

Opposition

None on file.

Analysis Prepared by: Christian Burkin / M. & V.A. / (916) 319-3550