

JLC Position Paper  
**Real Estate Tax Exemption for 100% Disabled Veterans**

1. **OBJECTIVE:** To provide real estate tax exemption for 100% disabled veterans without means testing.
  
2. **BACKGROUND:**
  - The Code of Virginia, §58.1-3210, provides that the “governing body of any county, city or town may by ordinance provide for the exemption from ...taxation of real estate for persons “at least sixty five years of age or if provided in the ordinance anyone found to be permanently and totally disabled.”
  - The Code further sets restrictions and conditions on any exemption provided by the localities which include 1) income restrictions and 2) financial worth restrictions. Income restrictions apply to the owner and any relatives living in the dwelling. Financial worth restrictions apply to the owner and his/her spouse.
  - Localities may set income/net worth caps lower than those mandated by the state but may not set caps higher than those set by the state.
  - The U.S. Department of Veterans Affairs (the VA) reported that 7,358 Virginia veterans were rated 100% disabled as of May 2009.
  - The 2009 General Assembly unanimously passed HJ648 and SJ275, beginning the process amending Virginia’s Constitution to require local governments to grant real estate exemptions for 100% disabled veterans without means testing.
  
3. **DISCUSSION:**
  - The Department of Veterans Services (DVS) held numerous town hall meetings in 2007 and 2008 at locations across the state. Each revealed the need for real estate tax exemption for 100% disabled veterans.
  - 100% disabled veterans continue to suffer from disabilities incurred during active military service to our Nation and our Commonwealth.
  - In Executive Order 19, “Serving Virginia’s Veterans,” Governor Kaine directed DVS to pay particular attention to the needs of disabled veterans. In its report to the Governor, DVS recommended real estate tax relief for 100% disabled veterans.
  
4. **RECOMMENDATION:** That the 2010 General Assembly pass resolutions identical to those passed by the 2009 General Assembly (HJ648 and SJ275), thereby continuing the process of amending Virginia’s Constitution to provide real estate exemptions for 100% disabled veterans.