

350.0000 DISABLED VETERANS' EXEMPTION

See Mobilehome

350.0001 Assessed Value. On and after January 1, 1981, "assessed value" means "full value" instead of 25 percent of full value. This is the result of section 3.5 of article XIII of the California Constitution and Statutes of 1978, Chapters 1207, 1273, and 1276. LTA 3/25/80 (No. 80/55).

350.0004 **Disability Rating.** C 3/10/2004. (Deleted April 2010)

350.0005 Disability Requirement. The veteran must have received while in military service a qualifying disability specified in Revenue and Taxation Code section 205.5(a) as follows:

1. Blind in both eyes, or
2. Loss of use of two or more limbs, or
3. Totally disabled because of injury or disease.

Any living veteran may qualify under this section with either of the three disabilities on or after the time the exemption becomes effective. Thus, for disease, he must have the disability on or after January 1, 1979 to qualify; for injury he must have the disability on or after January 1, 1975 to qualify. LTA 6/26/79 (No. 79/108).

350.0009 Household Income. Federal laws and regulations provide for the rate of compensation paid to eligible survivors of a veteran because of a service-connected death. While the compensation paid monthly to the surviving spouse is increased for each dependent child, the law does not provide the dependent child with a separate entitlement to the additional benefits. Moreover, the statute and regulations that set forth the surviving spouse's benefits specify that the increased benefits are paid to the surviving spouse, even if the surviving spouse does not have actual or constructive custody of the minor child or the child is in active military service. Thus, the total amount of veterans' benefits paid to the unmarried surviving spouse, including the amount received for three dependent children, should be included in the calculation of household income for purposes of determining the appropriate property tax exemption allowed under Revenue and Taxation Code section 205.5. C 3/15/2005.

350.0010 **Income Limit.** LTA 12/16/83 (No. 83/131); LTA 6/15/84 (84/55). (Deleted 2002)

350.0015 **\$100,000 Exemption.** LTA 2/22/85 (No. 85/20). (Deleted January 2006)

350.0019 Principal Residence. A "principal residence" or "principal place of residence" is considered to be equivalent to domicile, that place where a person has his or her true, fixed, and permanent home and to which that individual has the intention of returning to, whenever absent. Factors to consider when determining a person's principal residence or domicile, in addition to where the owner of the property resided during the year, include such indices as (1) the filing of income tax returns in the state, (2) the state of voter registration, (3) the state of vehicle registration, and (4) the state of issuance of a driver's license. There is no time requirement under California property tax law (i.e., a six-month rule) in order to qualify a home as a principle place of residence. C 1/29/2002.

350.0020 Qualification of Spouse by Type of Injury of Veteran.

A. Totally Disabled (Injury or Disease). The *spouse* qualifies if in addition to being a resident of California on the current lien date:

1. Either:

- a. the veteran had the qualifying injury or disease at time of death, or
- b. the veteran would have qualified with such an injury or disease except that he died prior to January 1, 1977 (for injury) or January 1, 1979 (for disease), and
2. Either:
 - a. the veteran was a resident of California at time of entry into the service, or
 - b. the out-of-state veteran was a resident of California on January 1, 1975, or
 - c. the surviving spouse was a resident of California on January 1, 1975. The residency requirement is met even though the veteran died prior to January 1, 1975 if the spouse was a resident on January 1, 1975.
- B. Blind in Both Eyes. The spouse qualifies if in addition to being a resident of California on the current lien date:
 1. Either:
 - a. the veteran had the qualifying disability on or after November 8, 1966, or
 - b. the veteran would have qualified with such a disability except that he died prior to January 1, 1977, and
 2. Either:
 - a. the veteran was a resident of California at time of entry into the service, or
 - b. the veteran was a resident of California on November 7, 1972, or November 8, 1966, or five out of nine years prior to April 15, 1974, or
 - c. the surviving spouse was a resident of California on November 7, 1972. The residency requirement is met even though the veteran died prior to November 7, 1972 if the spouse was a resident on November 7, 1972.
- C. Loss of Use of Two or More Limbs. The spouse qualifies if, in addition to being a resident of California on the current lien date:
 1. Either:
 - a. the veteran had the qualifying disability on or after November 2, 1954, or
 - b. the veteran would have qualified with such a disability except that he died prior to January 1, 1977, and
 2. Either:
 - a. the veteran was a resident of California at time of entry into the service, or
 - b. the veteran was a resident of California on November 7, 1972, November 2, 1954, or five out of nine years prior to April 15, 1974, or
 - c. the surviving spouse was a resident of California on November 7, 1972. The residency requirement is met even though the veteran died prior to November 7, 1972 if the spouse was a resident on November 7, 1972. LTA 6/26/79 (No. 79/108).

350.0021 Qualification of Unmarried Surviving Spouse. Commencing with the 1994-95 fiscal year, the disabled veteran's exemption is expanded to include the unmarried surviving spouse of a person who served in time of war or in time of peace in a campaign or expedition for which a medal was issued by Congress and who, as a result of a service-connected injury or disease, died while on active duty in the military service. Previously, a

person had to be discharged from the service to be considered a "veteran" for purposes of the exemption.

A claimant must provide a letter from the Veteran's Administration certifying that the decedent's cause of death was a service-connected injury or disease. LTA 9/8/93(No. 93/52); C 1/11/96.

350.0022 Qualification of Unmarried Surviving Spouse—Delayed Finding by DVA. An unmarried surviving spouse of a deceased member of the armed services timely filed for the disabled veterans' exemption, but was found ineligible solely for lack of a determination by the Department of Veterans' Affairs that the death was service-connected. Later, the Department issued its determination of death was service related and backdated the determination to a date prior to the date of the filing of the claim. The claim should be reconsidered and allowed in light of the Department's determination, assuming all other requirements for the exemption are met. C 5/5/97.

350.0023 Qualification of Unmarried Surviving Spouse. Effective January 1, 1979, the exemption is expanded to include the unmarried surviving spouse of a veteran who, as a result of a service-connected disease, died from that disease. Previously, the veteran had to qualify for the exemption (i.e., be rated as 100 percent totally disabled). A claimant must provide a letter from the United States Department of Veterans Affairs certifying that the veteran had suffered a service-connected disease. C 6/8/98.

350.0030 Qualification of Veteran by Type of Injury.

A. *Totally Disabled (Injury or Disease)*

1. the veteran qualifies if in addition to being a resident of California on the current lien date:
 - a. He had the qualifying injury on or after January 1, 1975 or the qualifying disease on or after January 1, 1979 (effective dates of exemption), and
 - b. Either:
 - (1) was a resident of California at time of entry into the service, or
 - (2) was a resident of California on March 1, 1975.

B. *Blind in Both Eyes*

1. The veteran qualifies if in addition to being a resident of California on the current lien date:
 - a. He had the qualifying disability on or after November 8, 1966 (effective date of exemption), and
 - b. Either:
 - (1) was a resident of California at time of entry into service, or
 - (2) was a resident of California:
 - (a) on November 7, 1972, or
 - (b) on November 8, 1966, or
 - (c) five out of nine years prior to April 15, 1974.

C. *Loss of Use of Two or More Limbs*

1. The veteran qualifies if, in addition to being a resident of California on the current lien date:
 - a. He had the qualifying disability on or after November 2, 1954 (effective date of the exemption), and
 - b. Either:
 - (1) was a resident of California at time of entry into service, or
 - (2) was a resident of California:
 - (a) on November 7, 1972, or
 - (b) on November 2, 1954, or
 - (c) five out of nine years prior to April 15, 1974. LTA 6/26/79 (No. 79/108).

350.0035 Residence. Section 4(a) of article XIII of the California Constitution provides that the Legislature may exempt the home of a disabled veteran, and Revenue and Taxation Code section 205.5 provides that property constituting the principal place of residence of a disabled veteran is exempt from taxation. Neither provision requires that the home be real property; therefore, a documented vessel used as a residence may qualify. C 4/21/83.

350.0040 Residency Requirement. LTA 6/26/79 (No. 79/108). (Deleted 2004)

350.0043 Revocable Trusts. The residence of a qualified veteran, the title to which is transferred to a revocable trust, remains eligible for exemption. Only bare legal title vests in the trustee, whether that be the veteran or someone else. As the beneficiary of the trust, the veteran acquires an equitable estate in the trust property and is still regarded as the owner of the property for purposes of the exemption. Additionally, the designation of the veteran and the veteran's spouse as co-beneficiaries would not prevent exemption. C 3/22/90.

350.0044 Supplemental Assessment. Buyer A acquired a home in July, generating a \$40,000 supplemental bill based on the difference between his purchase price and the value on the assessment roll. Before the supplemental tax bill is mailed, the property is sold to Buyer B in September. The \$40,000 supplemental bill is pro-rated for the two owners, with Buyer A receiving an unsecured bill for his period of ownership and Buyer B receiving a bill for his period of ownership, secured by a lien imposed on the property. Buyer B qualifies for the \$100,000 Disabled Veterans' Exemption. Buyer B is eligible for the exemption for his portion of the supplemental bill, assuming that all the requirements for the exemption are met. C 9/18/2000.

350.0045 Totally Disabled. "Totally Disabled" means that the United States Veterans Administration or military service, as a result of injury or disease incurred by a veteran in military service, has rated the veteran's disability at 100 percent or has rated the veteran's disability compensation at 100 percent for inability to secure or follow a substantially gainful occupation. Revenue and Taxation Code section 205.5 makes it clear that it is the Department of Veterans Affairs or the military service from which the veteran was discharged, and not the assessor's office, which is charged with determining whether a veteran meets the definition specified for "totally disabled." Although sections 205.5 and 277 of the Revenue and Taxation Code do not specify a particular form for certification, some form of evidence from the Department of Veterans Affairs or the applicable military service that the veteran has been rated as 100 percent disabled or that the veteran's disability compensation has been rated at 100 percent by reason of the veteran being unable to secure or follow a substantially gainful occupation, must be submitted by a person claiming the exemption. C 5/13/80; C 1/7/99.

350.0050 Trusts, Reserved Life Estates and Joint Tenancies. The disabled veterans' exemption claimed by an eligible veteran or a spouse thereof is not impacted by a subsequent transfer of the property if the transfer is: to a trust, if the veteran or the spouse is the sole present beneficiary or if the trust is revocable; a transfer that creates a future interest but reserves a life estate in the grantor veteran or spouse; or, a transfer that creates a joint tenancy in which the transferor veteran or spouse is one of the joint tenants provided, however, that only the retained joint tenancy interest is eligible for exemption. C 6/25/85; C 10/15/92.