SEN. GEORGE RUNNER (RET.)
MEMBER
STATE BOARD OF EQUALIZATION
CALIFORNIA'S TAX BOARD

June 29, 2016

Assemblymember Lorena Gonzalez, Chair
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

RE: SENATE BILL 1458 (BATES) – PROPERTY TAXATION: EXEMPTION: DISABLED VETERANS ▪ SPONSOR ▪

Dear Assemblymember Gonzalez:

I am pleased to sponsor Senate Bill 1458 (as amended 6/23/16), which will ensure veterans with a 100% service-connected disability rating or 100% disability compensation are not denied California's disabled veterans' exemption. In short, the bill expands the disabled veterans' exemption eligibility by changing the requirement that a veteran's character of discharge from military service be under "honorable" conditions to the standard of under "other than dishonorable" conditions.

Currently, there are different types of discharges from active duty: Honorable Discharge, General Discharge Under Honorable Conditions, Discharge Under Other than Honorable Conditions (OTH), Bad Conduct and Dishonorable. Under federal law, various veteran benefits depend on the type of discharge. Generally, to receive disability compensation benefits from the United States Department of Veteran Affairs (USDVA) requires an Honorable Discharge, a General Discharge and, on occasion, an OTH.

Under existing state law, only veterans who receive an Honorable Discharge can receive the property tax exemption, which means that although a veteran may have received a 100% disability rating from the USDVA, they are unable to quality for the state's disabled veterans' property tax exemption because they did not receive an Honorable Discharge.

A veteran should qualify for the state property tax exemption if he/she received a 100% disability rating, did not receive a dishonorable or bad conduct discharge, and qualifies for USDVA disability compensation benefits. The bill simply aligns state and federal benefits and is necessary to ensure all California veterans who were discharged under "other than dishonorable" conditions are given access to a benefit offered to them by a grateful state. For this reason, I am proud to sponsor SB 1458.

Sincerely,

GEORGE RUNNER
1st District

cc: Senator Bates

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