

Questions and Answers About the 100% Disabled Veterans Homestead Exemption

Section 11.131 of the Tax Code requires an exemption of the total appraised value of homesteads of Texas veterans who receive 100% compensation from the U.S. Department of Veterans Affairs due to a 100 percent disability rating or determination of individual un-employability by the U.S. Department of Veterans Affairs. Here are some common questions resulting from this legislation.

Q. What are the qualifications for the new exemption?

You qualify for the 100% disabled veterans homestead exemption if you meet these requirements:

- You own a home and occupy it as your residence.
- You are receiving 100% disability compensation from the US Department of Veterans Affairs for a service-connected disability.
- You have a disability rating of 100% disabled or of individual un-employability.

To get this exemption, you must fill out and return **the Application for Residence Homestead Exemption**. You must attach documentation as well. You may attach a copy of your **current** award letter, a **current** "VA tax letter," or another document from the United States Department of Veterans Affairs showing you are **currently** receiving 100% compensation due to a service-connected disability rating of 100% disability or of individual un-employability, **and the effective date of the VA determination**.

Per HB 252, effective September 1, 2011, you must also include with the application:

- 1) a copy of the applicant's driver's license or state-issued personal identification certificate; **and**
- 2) a copy of the applicant's vehicle registration receipt; **or**
 - a) if the applicant does not own a vehicle, an affidavit to that effect signed by the applicant; **and**
 - b) a copy of a utility bill in the applicant's name for the property for which the exemption is sought.

The chief appraiser is prohibited from granting the exemption unless the address of the property matches the address on the driver's license and the registration receipt or utility bill.

Q. How much of my home's value will the 100% disabled veterans homestead exemption exempt?

If you qualify January 1 of the tax year you are applying for, the homesteaded portion of your property will be totally exempt from property taxes. If you qualify after January 1 of the tax year you are applying for, there will be taxes due on the applicable portion of the year before you became eligible for the exemption. ***This applies to tax years beginning on or after January 1, 2012.***

Q. I already have a homestead exemption. Do I need to apply for the new exemption?

Yes. The new exemption is not given automatically.

Q. I just qualified for the standard disabled veteran's exemption. Why do I need to send you my documentation for the 100% disabled veterans homestead exemption?

Qualifications for the 100% Disabled Veterans homestead exemption differ from those for the standard disabled veterans or survivors (Section 11.22 of the Property Tax Code) exemption. In particular, you must show that you actually receive 100% disability compensation for a service-connected disability, and have a rating of 100% disability or individual un-employability for the **current** year.

Q. I bought my home after January 1, 2011. Will I get the new exemption for part of 2011?

No. The exemption will take effect for 2012 year if you didn't own your home on January 1, 2011. However, *beginning with the 2012 tax year*, a person who qualifies for the exemption after January 1 of a tax year may receive the exemption immediately on qualification for the applicable portion of that tax year.

Q. If I become eligible for the 100% disabled veteran's residence homestead in the middle of a tax year, does the exemption apply to that year?

Beginning with the 2012 tax year, if you qualify for the exemption after January 1 of a tax year, you may receive the exemption immediately on qualification for the applicable portion of that tax year. Additionally, you will need to provide a current award letter showing the effective date of the VA determination. Proration may also be based on your deed date if your effective rating date is prior to purchase of the homestead.

Q. If I move to a different residence homestead in the middle of a tax year, what happens to the exemption on the previous residence?

If an exemption that applied to a residence homestead on January 1 ends during the year, tax is due on the homestead for the portion of the year after the date the exemption ends. *This applies to tax years that begin on or after January 1, 2012.*

Q. When will the exemption apply to my new residence?

Beginning on or after January 1, 2012, the exemption starts immediately upon when the 100% disabled veteran owns and occupies the new residence. The tax due for that tax year is the amount for the portion of the year before the exemption started. A residence homestead application must be filed with the appraisal district in which the new residence homestead is located.

Q. My disability rating is actually 50%, but because I am over 65, I receive the maximum disability exemption. Do I qualify for the 100% disabled veterans homestead exemption?

No. You must be 100% disabled or have a rating of individual un-employability to qualify for the new exemption. You must also be receiving 100% disability compensation from the VA. **If the VA reduces or changes either of these ratings, it is your responsibility to notify the appraisal district in writing when your right to the exemption ends.**

Q. If something happens to me, will the new homestead exemption pass to my spouse or children?

The surviving spouse may apply for the exemption under new guidelines effective 1/1/12. [Click here to see the new surviving spouse of 100%/Totally Disabled Veteran Homestead Exemption requirements.](#)

Q. I am in a hospital or nursing home. Can I still get the new exemption?

Yes, as long as you intend to return to the home when you are able.

Q. My spouse and I own our home together. How is the 100% disabled veterans exemption calculated?

If the home is community property, it is calculated as if you owned 100% of the home. If the home is not community property, the exemption is prorated in proportion to the value of your interest.

Q. I have a mortgage on the home. Can I still get the 100% disabled veterans homestead exemption?

Yes.

Q. I don't currently have a homestead exemption. Do I need to apply for the regular homestead in addition to this new one?

You should also apply for the regular homestead exemption. This will ensure that you receive the maximum benefits of the regular exemption should your qualification for the 100% disabled veterans exemption change.

Q. I have recently turned 65. Should I apply for the over-65 homestead exemption in addition to the 100% disabled veterans homestead exemption?

Yes, for the same reasons given above.

Q. I meet all of the qualifications for the 100% disabled veteran's exemption. I currently apply the \$12,000 regular disabled veteran's exemption to my home. When I get the 100% disabled veterans homestead exemption, what happens to the other exemption?

The 100% disabled veterans homestead exemption will exempt all of the homesteaded value of your home. Consequently, the \$12,000 disabled veterans exemption will have no effect, unless you have non-homesteaded value on your property. If you own other taxable property, you should file a new standard disabled veteran's application with the appraisal district and designate the exemption as applying to the other property.

Q. Will I have to reapply every year for the 100% disabled veterans homestead exemption?

No. Once your exemption is granted, you will not have to reapply unless the chief appraiser requires you to do so in writing. However, you may be asked to reapply to show continued eligibility.

Q. I already have a disability homestead exemption on my home. What is the difference between that and this one?

The existing disability homestead exemption has different requirements and benefits. For that exemption, you must meet the Social Security Administration's definition of disabled, which is not necessarily the same as that used by the VA or your branch of the military. The benefits are also different. Only school districts are required to provide a disability homestead exemption, though many other taxing entities do. The 100% disabled veterans homestead exemption will apply to all taxing units and will exempt the total value of your home.

Q. Can I apply the 100% disabled veterans homestead exemption to my main home and get the general homestead exemption on my vacation home?

No. Both exemptions apply only to the home that is your principal residence.

Q. How do I get an application and where do I mail it?

You may obtain the exemption form from our website, www.wcad.org, **Forms**, called "Homestead Exemption Application"

Applications and evidence can be mailed to the following address:

Williamson Central Appraisal District

625 FM 1460

Georgetown, TX 78626-8050

Q. How do I get the disability award letter?

Veterans should contact the United States Department of Veterans Affairs to request the most current award letter at <http://www.va.gov> or 1-800-827-1000. You may also contact the County Veterans Services office at 512-943-1900