

What is the “Disabled Veterans” market value exclusion on homestead property?

This program, enacted in 2008 by the Minnesota State Legislature, provides a market value exclusion for property tax purposes for the homestead property of an honorably discharged veteran who has a service-connected disability rating of 70% or higher, as determined by the United States Department of Veterans Affairs.

How do I know if I am eligible for this market value exclusion?

A property must be the homestead of a qualified veteran or by the qualified veteran and the veteran’s spouse in order to receive this value exclusion.

To qualify, a veteran must have been honorably discharged from the United States armed forces, as indicated by United States Government Form DD214 or other official military discharge papers, and must be certified by the United States Veterans Administration as having a service-connected disability.

If a property qualifies for this market value exclusion, the property **does not** receive the residential homestead market value credit provided under Minnesota Statute 273.1384, subdivision 1.

Qualifying veterans with a 70 percent disability rating or higher are eligible for a market value exclusion of \$150,000.

Qualifying veterans who are totally (100 percent) and permanently disabled are eligible for a market value exclusion of \$300,000.

In brief:

- The property must be homestead and owned by the veteran or the veteran and the veteran’s spouse.
- The veteran must have been honorably discharged.
- The veteran must be certified by the USVA as having a service-connected disability.
- Qualifying veterans must have a 70% disability rating or higher.

Do I have to apply to be eligible for the market value exclusion?

Yes. Applications are available in your local assessor’s office. Applications must be made by July 1 to qualify for the exclusion on the current year’s market value for taxes payable the next year. For example, in order to qualify for the exclusion for the 2011 assessment, you must apply by July 1, 2011. The exclusion will then affect your taxes payable in 2012.

Answers to Your Questions About “Disabled Veteran” Value Exclusion

Veterans with a disability rating of 70 percent or higher will need to reapply annually.

Applications must be made by July 1 to qualify for the exclusion on the current year’s market value for taxes payable the next year. For example, in order to qualify for a value exclusion for the 2011 assessment, you must apply by July 1, 2011. The exclusion will then affect your taxes payable in 2012.

Veterans who are totally and permanently disabled do not need to reapply after the initial approval.

The property will continue to qualify for the value exclusion until there is a change in ownership or use of the property. A surviving spouse can continue the exclusion under this provision for one additional assessment year, or until the spouse sells, transfers, vacates, or otherwise disposes of the property, whichever occurs first.

What information do I need to supply?

Qualifying veterans may supply the United States Government Form DD214 or other official military discharge papers, as well as documentation from the Veterans Administration verifying disability status. The Veterans Administration may also provide a letter that encompasses all required information, both discharge and disability. **If you need any of these documents, please contact the Veterans Administration or your County Veterans Service Officer.**

Qualifying veterans need to provide a copy of these documents or letter from the Veterans Administration to the City of Bloomington Assessor’s Office along with the appropriate application for Market Valuation Exclusion on Homestead Property for Disabled Veterans.

What if I have questions?

This is only a summary of the Valuation Exclusion on Homestead Property for Disabled Veterans program. For more information, or for answers to specific questions, please contact your local Assessor’s Office.

For property located in the City of Bloomington, applications are available from the Bloomington Assessor’s Office.

Assessing personnel are available to help answer your questions Monday through Friday, from 8:00 a.m. to 4:30 p.m. The phone numbers are listed below.

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