



Texas Veterans Land Board

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Questions and Answers about the New 100% Disabled Veteran's Homestead Exemption

The Texas Legislature recently passed HB 3613. This bill provides for a 100% exemption for the residence homestead of qualified disabled veterans. The bill also increases the amount of the regular disabled veteran's exemption for veterans who have a disability rating of 30%, 50%, or 70%. Below are some commonly asked questions and answers about the new 100% disability homestead exemption.

Q. What are the qualifications for the new exemption?

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

- You own a home and occupy it as your residence homestead.
- 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 unemployability.

To get this exemption, you must fill out and return to your County Appraisal District Office this [Texas Property Tax Form 50-764](#). **Please note that, at the time this Q & A was created & posted, Form 50-764 had "TEMPORARY" printed at the top in red. The Comptroller's office is, now, drafting a final document. This does not mean that the exemption is temporary. It is simply a reference to the status of the form, itself.**

You must attach documentation as well. You must attach a copy of your award letter, a "VA tax letter," or another document from the United States Department of Veterans Affairs showing 100% disability compensation due to a service-connected disability and a rating of 100% disability or of individual unemployability.

Q. How much of my home's value will it exempt?

If you qualify, your home will be totally exempt from property taxes in all jurisdictions, regardless of the home's value. If you co-own the home with someone other than your spouse, your share of the home's value will be exempted.

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 disabled veteran's exemption. Why do I need to send documentation for the new exemption?

Qualifications for the new homestead exemption differ from those for the prior disabled veteran's 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 unemployability.

Q. When is the new homestead exemption effective?

It is retroactive to January 1, 2009. If you owned your home and qualified on that date, you'll receive the exemption for 2009.

Q. I bought my home after January 1, 2009. Will I get the new exemption for part of 2009?

No. The exemption will take effect for the 2010 year if you didn't own your home on January 1, 2009.

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

No. You must be 100% disabled or have a rating of individual unemployability 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.

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

No. Only the disabled veteran can claim the new 100% homestead exemption.

Q. I owe delinquent taxes on my home for years before 2009. Will the new exemption affect those?

No. The exemption will apply for 2009 forward. It does not affect prior years.

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 new homestead 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 new homestead exemption?

Yes.

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

Q. How much of my home's value will the new exemption exempt?

Your home will be totally exempt from property taxes.

Q. Will I have to reapply every year for the new disability 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.

Q. I already have a disability homestead exemption on my home. What is the difference between that one 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 new exemption will apply to all taxing units and will exempt the total value of your home.

Q. How do I get documentation of my status from the VA?

You can contact the VA at 1-800-827-1000. Their website is at www.va.gov.
