

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 homestead property must be owned by a qualified veteran or by the 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 city or county assessor’s office. Applications must be made by September 1 to qualify for the exclusion on the 2008 market value for taxes payable the next year. For example, in order to qualify for a value exclusion for the 2008 assessment, you must apply by September 1, 2008. The exclusion will then affect your taxes payable in 2009.

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 following year’s market value for taxes payable the next year. For example, in order to qualify for a value exclusion for the 2009 assessment, you must apply by July 1, 2009. The exclusion will then affect your taxes payable in 2010.

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. If a permanently and totally disabled veteran predeceases his/her spouse, the spouse may continue to qualify under this provision for two additional taxes payable years, so long as the surviving spouse owns the property and resides there. The exclusion will be immediately removed if the property is sold, transferred, or otherwise disposed of.

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 provide a letter that encompasses all required information (both discharge and disability). **If you have not received this letter, please contact the Veterans Administration.**

Qualifying veterans need to provide a copy of the 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 Market Valuation Exclusion on Homestead Property for Disabled Veterans program. For more information, or for answers to specific questions, please call the Assessor’s Office for an explanation.

For property located in the City of Bloomington, applications are available from the Bloomington Assessor’s Office. Complete written details regarding the market value exclusion are available from the City of 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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