

Disabled Veteran or Surviving Spouse Property Tax Exemption



January 2020

www.oregon.gov/dor

[Oregon Revised Statute (ORS) 307.250–307.283]

If you're a disabled veteran or the surviving spouse or registered domestic partner (partner)* of a veteran, you may be entitled to exempt \$22,689 or \$27,228 of your homestead property's assessed value from property taxes. The exemption amount increases by 3 percent each year. The exemption is first applied to your home and then to your taxable personal property. If you are an Oregon resident and a qualifying veteran or a veteran's surviving spouse/partner and live in your home, you may file a claim and receive the exemption.

How do I qualify for a \$22,689 exemption?

First, you must meet **one** of these requirements:

- Be a veteran who is officially certified by the United States (U.S.) Department of Veterans Affairs or any branch of the U.S. Armed Forces as having disabilities of 40 percent or more; or
- Be a veteran who served with the U.S. Armed Forces and is certified each year by a licensed physician as being 40 percent or more disabled. However, there is an income limit. In the year before the exemption year, your total gross income can't be more than 185 percent of the annual Federal Poverty Level Guidelines.

Total gross income includes pensions, disability compensation, and retirement pay received for your military service. The U.S. Department of Health and Human Services publishes new Federal Poverty Level Guidelines every February. The updated current year guideline is used for that exemption year. You can see these guidelines online at aspe.hhs.gov; or

- Be a veteran's surviving spouse/partner who hasn't entered into a new marriage or registered domestic partnership (partnership). You may file a claim for the exemption even though your spouse/partner wasn't disabled or never filed a claim for the exemption if disabled. (See the definition under "Who is a veteran?" to determine your eligibility as the surviving spouse/partner.)

Second, you must own and live on your homestead property. Buyers with recorded contracts of purchase and life estate holders are considered owners for the purposes of this exemption. Temporary absences due to vacation, travel, or illness don't disqualify you from the program.

* "Partner" means the surviving registered domestic partner of a veteran. ORS 106.340 provides that domestic partners who have registered as provided in ORS 106.325 are to have the same privileges as spouses. For that reason, a surviving registered domestic partner of a veteran is also eligible for this exemption.

How do I qualify for a \$27,228 exemption?

First, you must meet **one** of these requirements:

- Be a veteran who is officially certified by the U.S. Department of Veterans Affairs or any branch of the U.S. Armed Forces as having service-connected disabilities of 40 percent or more; or
- Be a veteran's surviving spouse/partner who hasn't entered into a new marriage or partnership and the veteran died due to service-connected injury or illness, or the veteran received at least one year of the maximum exemption. (See the definition under "Who is a veteran?" to determine your eligibility as the surviving spouse/partner.)

Second, you must own and live on your homestead property. Buyers with recorded contracts of purchase and life estate holders are considered owners for the purposes of this exemption. Temporary absences due to vacation, travel, or illness don't disqualify you from the program.

Who is a veteran?

To qualify for the exemption, you must be a U.S. citizen who has been a member of the U.S. Armed Forces and you were discharged or released under honorable conditions. At least one of these requirements must also be met:

- Served at least 91 consecutive days beginning on or before January 31, 1955.
- Served at least 179 consecutive days beginning after January 31, 1955.
- Served for 178 days or less and was discharged or released from active duty under honorable conditions because of a service-connected disability.
- Served for 178 days or less and has a disability rating from the U.S. Department of Veterans Affairs.
- Served for at least one day in a combat zone.
- Received a combat or campaign ribbon or an expeditionary medal for service in the U.S. Armed Forces.
- Be receiving a nonservice-connected pension from the U.S. Department of Veterans Affairs.

Surviving spouse of Civil War or Spanish War veterans

If you are the surviving spouse of an honorably discharged veteran of the Civil War or the Spanish War, and you haven't entered into a new marriage or partnership, you're entitled to an additional exemption of \$2,000 provided you currently receive a pension and actually live on your homestead property.

How do I file?

This property tax exemption isn't "automatic" and doesn't transfer from one property to another property. The disabled veteran or surviving spouse/partner must file an exemption claim by the due date with the county assessor where the property is located. You don't have to file a claim every year unless a licensed physician certified the disabilities of 40 percent or more. However, you must file a new claim by April 1 if there are changes in ownership or use of your homestead property. You can obtain the *Disabled Veteran or Surviving Spouse Exemption Claim* form, 150-303-086, from the county assessor's office or find it online at www.oregon.gov/dor/forms.

Standard filing: File your claim, with attached documentation, on or before April 1 preceding the tax year for which you're claiming the exemption.

If you acquire property after March 1 and before July 1, file your claim, with attached documentation, within 30 days after the date of acquisition.

Late filing: If you're a qualified veteran who is certified disabled by a licensed physician, file your claim, with attached documentation, no later than May 1 if you received an exemption in the previous year and you're notified by the county assessor that you didn't file a new claim for the current year. You **must** include a \$10 fee for filing late.

Late certification: On occasion, veterans receive their qualifying disability certification years after the U.S. Department of Veterans Affairs or a branch of the U.S. Armed Forces examined the veteran for the disability rating. If this happened, you may qualify for a prior year's veteran's exemption. You need to meet the following requirements:

- Receive a notice of disability certification that indicates you have disabilities of 40 percent or more as of a prior date shown on the certification; and
- File a claim for exemption with your county assessor within six months of the date the federal government notifies you of the qualifying certified disability.

You may not claim an exemption for a tax year that's more than three tax years prior to the tax year during which you file your claim, and the date of certified disability must precede the start of each tax year claimed.

Property held in trust: To receive an exemption on property held in a trust, the trust must be clearly identified as **revocable** by the applicant for the specific property you are claiming for exemption.

Surviving spouse/partner: If you're a surviving spouse/partner and filing for the first time because your spouse/partner is recently deceased, then you may file a claim for exemption at any time during the tax year if:

- The veteran died during the prior tax year; or
- The homestead property was acquired after March 1, but prior to July 1, and the veteran died within 30 days of the date the property was acquired.

What documentation do I attach to my claim?

Disabled veteran:

- DD-214 or other military-issued documentation that shows you were discharged or released from the military under honorable conditions and shows your period of active service.
- Certificate issued by the U.S. Department of Veterans Affairs, a branch of the U.S. Armed Forces, or a licensed physician showing you have disabilities of 40 percent or more.
 - The disability rating certificate from the U.S. Department of Veterans Affairs or from a branch of the U.S. Armed Forces must be dated within three years prior to the date of your claim for exemption.
 - The disability rating certificate from a licensed physician must be updated every year.

If you have filed the required disability rating certificate, you don't have to continue attaching it to your claim if you filed it after reaching the age of 65 or are certified as permanently disabled.

Surviving spouse/partner:

- DD-214 or other military-issued documentation that shows the veteran was discharged or released from the military under honorable conditions and shows their period of active service.
- Your marriage certificate or certificate of registered domestic partnership. You must have been legally married to or been in a partnership with the veteran at the time of his or her death and you haven't entered into a new marriage or partnership.
- The veteran's death certificate. If the veteran died as a result of service-connected injury or illness, then you may qualify for the greater exemption amount.

You can find this form at www.oregon.gov/dor/forms or call your county assessor's office.

Do you have questions or need help?

www.oregon.gov/dor
503-378-4988 or 800-356-4222
questions.dor@oregon.gov

Contact us for ADA accommodations or assistance in other languages.

Veteran's Benefits, Oregon Dept. of Veterans' Affairs:

Toll-free from Oregon prefix..... 800-692-9666