

Veteran's Property Tax Exemption Questions

What property tax exemptions are available for veterans?

The real estate tax exemptions for the domiciles of veterans are found in Clauses 22, 22A, 22B, 22C, 22D, 22E and 22F of MGL c. 59, sec. 5. Although these exemptions are commonly referred to as "veterans' exemptions," some of them are for the domiciles of spouses or surviving spouses of veterans and the surviving spouses or parents of service members or guardsmen who died during their service. See generally Section 3 of the Chapter 7 of the Assessors Course 101 Handbook for information on exemptions for veterans and other individuals.

What is the date for determining eligibility for the veterans' exemptions?

All the eligibility requirements related to veterans' exemptions must be satisfied as of July 1 of the beginning of the fiscal year for which the tax is assessed. MGL c. 59, sec. 5.

Who are veterans for property tax exemption purposes?

Veterans are individuals who served on active duty in the Armed Forces of the United States for certain time periods during peace or wartime eras and were discharged from military service. Their last discharge or release must have been under honorable conditions. The definition of veteran is found in MGL c. 4, sec. 7, clause 43 and summarized in this chart available on the Department of Veterans' Services website.

Is a person who was discharged from active duty and met the definition of veteran but later returns to active duty still a veteran for property tax exemption purposes?

Yes. A person remains a veteran and eligible for exemption if his or her last discharge from active duty was under honorable conditions.

Must all applicants for veterans' exemptions be veterans?

No. If the veteran's spouse, not the veteran, owns the veteran's domicile, the spouse is eligible for the exemption and would apply instead of the veteran. MGL c. 59, sec 5. clauses 22(d), 22A-C and 22E-F. If the exemption is available to surviving spouses of veterans or surviving spouses and parents of service members or guardsmen who died during their service, those persons are the applicants. MGL c. 59, sec. 5. clauses 22(d), 22(e), 22(f), 22A-22F.

Must a veteran have a service-connected disability to be eligible for a veteran's exemption?

The exemptions generally require the veteran to have a service-connected disability or been given one of specific service awards. The disability, service award or other requirement for each exemption clause can be found in Table 7 of Chapter 7 of the Assessors Course 101 Handbook. The table states the persons eligible to apply for each exemption and the exemption amount. Table 8 of Chapter 7 states the amount the state reimburses the municipality for each granted exemption (subject to annual appropriation by the legislature).

Who must own and occupy the real property that is the subject of the exemption?

The applicant for the exemption must own the real property. In addition, the veteran must occupy the real property that is the subject of the exemption as his or her domicile. If the spouse of the veteran owns the home and is the applicant for the exemption, both the spouse and veteran must occupy the property as their domicile. If the applicant is a surviving spouse or parent, the surviving spouse or parent must occupy the property as his or her domicile.

A domicile is a person's principal and legal home, where family, social, civic and economic life is centered and where a person plans to return whenever he or she is away. A person may have more than one residence, but only one domicile.

Is a veteran who just moved to Massachusetts eligible for a veteran's exemption?

Generally, no. The veteran must have been domiciled in Massachusetts for (1) at least six consecutive months before entering military service or (2) at least five consecutive years before applying for the exemption. To qualify for a Clause 220 exemption, surviving spouses of service members or guardsmen 1) must have been domiciled in Massachusetts for at least five consecutive years before applying for the exemption, or (2) their spouse must have been domiciled in Massachusetts for at least six consecutive months before entering the service.

However, this five-year period for veterans, service members or guardsmen who were not domiciled in Massachusetts before entering the service is reduced to only one year if the municipality has accepted St. 1993, c. 110. sec. 110.

How does an applicant document the veteran's service-connected disability?

A first time applicant must provide the assessors with a certification or benefit letter from the United States Department of Veterans Affairs (VA), or the branch of service from which the person was discharged, that documents the veteran's service-connected disability. Other information regarding military service that relates to eligibility for a veteran exemption, such as residency before enlistment, service period, military decorations and honorable discharge, is obtained from the veteran's discharge papers or VA benefit letter.

If an exemption is granted, the veteran (or spouse if the applicant) does not have to include any documentation with future applications unless the veteran's disability status changes or the veteran has a 100% disability rating. A veteran (or spouse, if the applicant) seeking a Clause 22E exemption for veterans with a 100% disability rating must submit a current VA certification or benefit letter with each year's application. See Bulletin 2009-19B.

For an application by a surviving spouse, a certification or benefit letter documenting the veteran's disability and eligibility at the time of death must be provided in the first year the exemption is sought only if the veteran was not already receiving an exemption at that time.

Does the certification or benefit letter from the VA (or branch of service) documenting the veteran's service-connected disability have to be dated July 1?

No. The veteran has to have a service-connected disability as of July 1 to be eligible for exemption, but the letter does not have to be dated July 1. Generally, the VA's decision on a veteran's application for benefits due to a service-connected disability is based on the veteran's status at the time the veteran applies to the VA for those benefits.

Once decided, that remains the veteran's disability rating or status unless the VA approves a change after an appeal or further application by the veteran.

What does the certification or benefit letter from the VA (or branch of service) have to include for a veteran to be eligible for an exemption under Clause 22E as a veteran with a 100% disability rating?

The veteran has a 100% disability rating if the VA certification or benefit letter reports a baseline rating less than 100% and reports "Yes" to any of the following conditions:

- 1.) Are you entitled to a higher level of disability due to being unemployable?
- 2.) Are you considered to be totally and permanently disabled due to your service-connected disabilities?