

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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SENATE BILL DRS35061-NIF-64

Short Title: Veterans Appreciation Act.

(Public)

Sponsors: Senators Johnson, Lazzara, and Bode (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO INCREASE THE PROPERTY TAX HOMESTEAD EXCLUSION AMOUNT
3 FOR DISABLED VETERANS TO ALLOW FOR THE EXCLUSION OF APPRECIATION
4 OF THE APPRAISED VALUE OF THE PERMANENT RESIDENCE ATTRIBUTABLE
5 TO HOUSING GRANT FUNDING FROM THE UNITED STATES DEPARTMENT OF
6 VETERANS AFFAIRS AND TO ALLOW DISABLED VETERANS TO PREQUALIFY
7 FOR THE DISABLED VETERAN PROPERTY TAX HOMESTEAD EXCLUSION.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. G.S. 105-277.1C reads as rewritten:

10 "§ 105-277.1C. Disabled veteran property tax homestead exclusion.

11 (a) Classification. – A permanent residence owned and occupied by a qualifying owner
12 is designated a special class of property under Article V, Section 2(2) of the North Carolina
13 Constitution and is taxable in accordance with this section. The amount excluded from taxation
14 is the first forty-five thousand dollars (\$45,000) of appraised value of the residence ~~is excluded~~
15 from taxation, plus any portion of the appraised value of the residence attributable to adaptations
16 for the qualifying owner's medical needs if the adaptations were funded by a housing grant from
17 the United States Department of Veterans Affairs for one or more service-connected disabilities.
18 A qualifying owner who receives an exclusion under this section may not receive other property
19 tax relief.

20 ...

21 (f) Application. – An application for the exclusion allowed under this section should be
22 filed during the regular listing period, but may be filed and must be accepted at any time up to
23 and through June 1 preceding the tax year for which the exclusion is claimed. An applicant for
24 an exclusion under this section must establish eligibility for the exclusion by providing a copy of
25 the veteran's disability certification or evidence of benefits received under 38 U.S.C. § 2101. An
26 applicant who has prequalified pursuant to subsection (g) of this section may provide a copy of
27 the prequalification notice provided by the assessor under subsection (g) of this section to
28 establish eligibility for the exclusion provided in this section in lieu of a veteran's disability
29 certification or evidence of benefits received under 38 U.S.C. § 2101.

30 (g) Prequalification. – A disabled veteran may apply for prequalification of the property
31 tax relief provided by this section notwithstanding that the veteran is not an owner of a permanent
32 residence at the time that the veteran's application for prequalification is submitted. It is the intent
33 of the General Assembly to allow taxpayers and lenders to determine, in advance of the purchase
34 of a primary residence, the availability of the tax benefit provided by this section in order to
35 facilitate omitting exempted amounts from determinations of payment calculations. An
36 application for prequalification under this subsection may be filed at any time and must be



1 submitted on a form approved by the Department. Application forms under this subsection must
2 be made available by the assessor. Upon receipt of an application under this subsection, the
3 assessor of the county in which the application is filed must notify the applicant of the applicant's
4 qualification for eligibility for property tax relief under this section within 30 days. Upon
5 purchasing a permanent residence, an applicant who has received prequalification under this
6 subsection must apply for the property tax relief provided by this section as required under
7 subsection (f) of this section."

8 **SECTION 2.** This act is effective for taxes imposed for taxable years beginning on
9 or after July 1, 2024.