

Market Value Exclusion for Veterans with a Disability

This market value exclusion program reduces the market value of the home for tax purposes, which may reduce your property tax. The program is administered by the counties.

There are two exclusion levels, \$150,000 and \$300,000, depending on your status:

IF YOU ARE A	WITH A	YOU MAY QUALIFY FOR A MARKET VALUE EXCLUSION OF
Veteran	100% permanent and total disability rating	\$300,000
Veteran	70% or greater service-connected disability rating	\$150,000
Surviving spouse receiving dependency and indemnity compensation	Veteran's disability status is not a factor	\$300,000
Surviving spouse of a qualifying veteran or service member	100% permanent and total disability rating	\$300,000
Qualifying primary family caregiver of a veteran	100% permanent and total disability rating	\$300,000
Qualifying primary family caregiver of a veteran	70% or greater service-connected disability	\$150,000

Qualifications

Qualifications are based on whether you are a veteran, surviving spouse, or primary family caregiver. The property must have a [homestead classification](#).

Veterans

Veterans may qualify if they:

- Are honorably discharged from the United States armed forces
- Have a service-connected disability rating of 70% or higher
- Own and occupy a homesteaded property on December 31

Surviving Spouses

A surviving spouse of a qualifying veteran may be eligible to continue receiving the exclusion if the:

- Veteran had a **100% permanent and total disability rating** (may still qualify if veteran did not receive the exclusion before dying)
- Surviving spouse receives Dependency and Indemnity Compensation
- Veteran had a service-connected death while in active service

If all requirements are met, surviving spouses may qualify for \$300,000 of market value exclusion until they remarry, transfer or dispose of the property. The spouse can have a one-time sale of the property and still retain the exclusion.

Primary Family Caregivers

Primary family caregivers may qualify if they:

- Are approved by the U.S. Department of Veteran Affairs as the primary family caregiver for an honorably discharged veteran with a service-connected disability of 70% or more
- Own and occupy a homestead property by December 31

The veteran that the primary family caregiver cares for cannot also own homestead property by December 31.

How to Apply

Apply to your county assessor's office by **December 31** to qualify for taxes payable in the next year. Some manufactured homes are taxed in the same year their property is assessed. For these properties, apply as soon as possible. The property must already be receiving a homestead classification.

- **Veterans** must work with their Veterans service officer to get their disability rating
- **Surviving spouses** may apply within two years of the death of the service member

Information Needed to Apply

The information required depends on who is applying for the exclusion.

Veterans

Qualifying veterans must provide:

- U.S. Government Form DD214 or other military discharge papers
- Documentation from the U.S. Department of Veteran Affairs (VA) verifying disability status

Note: The VA may also provide a letter that includes all required information (both discharge and disability).

Surviving Spouses

Surviving spouses of **veterans who had total (100%) and permanent disability** must provide documentation describing their benefits as surviving spouses of veterans who were permanently and totally disabled.

Surviving spouses awarded **Dependency and Indemnity Compensation** must provide verification of Dependency and Indemnity Compensation.

Surviving spouses of **service members who died while serving in active duty** must provide:

- Verification of Dependent Indemnity Compensation or other benefit letters from the U.S. Department of Veterans Affairs, if requested by the assessor
- U.S. Government Form DD1300 or DD2064 for service members
- Verification of the veteran's date of death

Primary Family Caregivers

Primary family care givers must provide:

- Certification that they qualify for benefits described under the Program of Comprehensive Assistance for Family Caregivers
- Information necessary to verify the discharge and disability status of the qualifying veteran

The veteran that the Primary Family Caregiver cares for cannot also own homestead property by December 31.

Additional Information

Does this exclusion apply to farms?

Yes. For agricultural homesteads, the value of the house, garage, and immediately surrounding one acre of land will qualify for the exclusion.

Can I get the regular homestead exclusion with this exclusion?

No. If a property qualifies for this market value exclusion, the property does not receive the regular residential homestead market value exclusion.

Questions?

Contact the Pope County Assessor's Office at 320-634-7715.

For questions related to your disability and the forms that are required with the application, speak with your county veteran service officer, Hugh Reimers at 320-634-7846.



This fact sheet is intended to help you become more familiar with Minnesota tax laws and your rights and responsibilities under the laws. Nothing in this fact sheet supersedes, alters, or otherwise changes any provisions of the tax law, administrative rules, court decisions, or revenue notices.

Information pulled from the Minnesota Department of Revenue website – Last updated July 13, 2023

<https://www.revenue.state.mn.us/market-value-exclusion-veterans-disability>

Homestead Classification Fact Sheet – Last updated by Pope County Assessor's office July 20, 2023