

**Subject** Market value exclusion for veterans with a disability

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## Summary

This bill makes several changes to the market value exclusion for veterans with a disability, including:

- Increasing from \$150,00 to \$200,000 the maximum exclusion for veterans with a disability rating of at least 70 percent and indexing this amount to inflation.
- Increasing from \$300,000 to \$400,000 the maximum exclusion for veterans with a total (100 percent) and permanent disability and indexing this amount to inflation.
- Allowing surviving spouses of veterans who die due to a service-connected cause while serving in active service to receive the exclusion any time after the death of a service member, even if the service member and spouse lived outside of Minnesota when the death occurred. Current law requires the surviving spouse to own the homestead and apply within two years of the death of the service member.
- Removing the requirement that veterans be honorably discharged from the United States armed forces to qualify for the exclusion, allowing some service members to receive the exclusion if they are disabled but have not yet been discharged.
- Allowing surviving spouses to continue to receive the exclusion after remarrying. Under current law, the exclusion expires when a surviving spouse remarries.
- Allowing surviving spouses to transfer the exclusion to a property valued higher than the property for which the exclusion was initially granted. Current law allows a one-time transfer of the exclusion to a new property provided that the property is not valued higher than the initial property that received the exclusion.