

REFERENCE TITLE: veterans; disability; exemption; property tax

State of Arizona
House of Representatives
Fifty-fifth Legislature
Second Regular Session
2022

HB 2665

Introduced by
Representative Payne

AN ACT

AMENDING TITLE 42, CHAPTER 11, ARTICLE 3, ARIZONA REVISED STATUTES, BY
ADDING SECTION 42-11111.01; AMENDING SECTIONS 42-11152 AND 42-11153,
ARIZONA REVISED STATUTES; RELATING TO PROPERTY TAX EXEMPTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 42, chapter 11, article 3, Arizona Revised
3 Statutes, is amended by adding section 42-11111.01, to read:

4 42-11111.01. Exemption for veterans with disabilities;
5 definition

6 A. THE PRIMARY RESIDENCE HOMESTEAD THAT IS OWNED BY A VETERAN WHO
7 RECEIVES ONE HUNDRED PERCENT DISABILITY COMPENSATION FROM THE UNITED
8 STATES DEPARTMENT OF VETERANS AFFAIRS FOR A SERVICE-CONNECTED DISABILITY
9 OR DISABILITIES AND WHO IS A RESIDENT OF THIS STATE IS EXEMPT FROM
10 TAXATION TO THE EXTENT ALLOWED BY ARTICLE IX, SECTION 2.4, CONSTITUTION OF
11 ARIZONA, SUBJECT TO THE CONDITIONS AND LIMITATIONS PRESCRIBED BY THIS
12 SECTION.

13 B. PURSUANT TO ARTICLE IX, SECTION 2.4, CONSTITUTION OF ARIZONA,
14 THE EXEMPTION FROM TAXATION UNDER THIS SECTION IS ALLOWED IN THE AMOUNT OF
15 THE TOTAL APPRAISED VALUE OF THE VETERAN'S PRIMARY RESIDENTIAL HOMESTEAD.

16 C. A VETERAN ELIGIBLE FOR THE EXEMPTION UNDER SUBSECTION A OF THIS
17 SECTION SHALL INITIALLY ESTABLISH ELIGIBILITY FOR EXEMPTION UNDER THIS
18 SECTION BY FILING AN AFFIDAVIT WITH THE COUNTY ASSESSOR UNDER SECTION
19 42-11152. THEREAFTER, THE VETERAN IS NOT REQUIRED TO FILE AN AFFIDAVIT
20 UNDER SECTION 42-11152 AND SHALL NOTIFY THE COUNTY ASSESSOR IN WRITING OF
21 ANY EVENT THAT DISQUALIFIES THE VETERAN FROM FURTHER EXEMPTION UNDER
22 SUBSECTION A OF THIS SECTION. REGARDLESS OF WHETHER THE VETERAN OR THE
23 VETERAN'S REPRESENTATIVE NOTIFIES THE ASSESSOR AS REQUIRED BY THIS
24 SUBSECTION, THE PROPERTY IS SUBJECT TO TAX AS PROVIDED BY LAW FROM THE
25 DATE OF DISQUALIFICATION, INCLUDING INTEREST, PENALTIES AND PROCEEDINGS
26 FOR TAX DELINQUENCIES. DISQUALIFYING EVENTS INCLUDE:

27 1. THE PERSON'S DEATH.

28 2. A CHANGE IN THE PERCENTAGE OF THE VETERAN'S DISABILITY
29 COMPENSATION THAT WOULD DISQUALIFY THE VETERAN UNDER SUBSECTION A OF THIS
30 SECTION.

31 3. THE CONVEYANCE OF TITLE TO THE PROPERTY TO ANOTHER OWNER.

32 D. FOR THE PURPOSES OF THIS SECTION, "VETERAN" HAS THE SAME MEANING
33 PRESCRIBED IN ARTICLE IX, SECTION 2.4, CONSTITUTION OF ARIZONA.

34 Sec. 2. Section 42-11152, Arizona Revised Statutes, is amended to
35 read:

36 42-11152. Affidavit: false statements

37 A. Except as provided in sections 42-11104, 42-11109, 42-11110,
38 42-11111, 42-11111.01 and 42-11131 and except for property described in
39 sections 42-11125, 42-11127, 42-11132 and 42-11132.01, a person who claims
40 exemption from taxation under article IX, section 2, 2.1 or 2.2,
41 Constitution of Arizona, shall:

42 1. When initially claiming the exemption, appear before the county
43 assessor to make an affidavit as to the person's eligibility. If a
44 personal appearance before the county assessor would create a severe

1 hardship, the county assessor may arrange a mutually satisfactory meeting
2 place to make an affidavit as to the person's eligibility.

3 2. When claiming the exemption in subsequent years, appear before
4 the county assessor or a notary public to make an affidavit as to the
5 person's eligibility.

6 3. Fully answer all questions on the eligibility form or otherwise
7 required by the assessor for that purpose.

8 B. At the assessor's discretion, the assessor may require
9 additional proof of the facts stated by the person before allowing an
10 exemption.

11 C. A person who is in the United States military service and who is
12 absent from this state or who is confined in a veterans' hospital or
13 another licensed hospital may make the required affidavit in the presence
14 of any officer who is authorized to administer oaths on a form obtained
15 from the county assessor.

16 D. A false statement that is made or sworn to in the affidavit is
17 perjury.

18 Sec. 3. Section 42-11153, Arizona Revised Statutes, is amended to
19 read:

20 42-11153. Deadline for filing affidavit

21 A. Except as provided in section 42-11104, subsection E, section
22 42-11109, subsection B, section 42-11110, subsection B, section 42-11111,
23 subsection H, **SECTION 42-11111.01, SUBSECTION C,** section 42-11131,
24 subsection C, ~~and~~ section 42-11132, subsection C and section 42-11132.01,
25 subsection C, a failure by a taxpayer who is entitled to an exemption to
26 make an affidavit or furnish evidence required by this article between the
27 first Monday in January and March 1 of each year constitutes a waiver of
28 the exemption.

29 B. If a widow or widower or person with a disability whose property
30 is exempt from tax under section 42-11111 **OR 42-11111.01,** or an
31 organization that is exempt from federal income tax under section 501(c)
32 of the internal revenue code and is exempt from property tax under article
33 3 of this chapter, submits a petition after the deadlines prescribed by
34 subsection A of this section, the person or organization may have the
35 waiver redeemed by the county board of supervisors at any regular meeting,
36 except that ~~no~~ taxes that were due and payable before the petition was
37 submitted may **NOT** be refunded or abated.

38 Sec. 4. Conditional enactment; applicability

39 This act does not become effective unless the Constitution of
40 Arizona is amended by vote of the people at the next general election by
41 passage of House Concurrent Resolution _____, fifty-fifth legislature,
42 second regular session, relating to property tax exemptions for veterans
43 with a disability and, if approved, applies to tax years beginning from
44 and after December 31, 2022.