

## STATEMENT OF PURPOSE

RS27737 / H0552

This legislation would amend Idaho Code section 63-704 and 63-705A by adding language that would increase the number of disabled veterans who are eligible to receive a property tax credit. Aside from the circuit breaker, current code only allows an additional property tax credit for disabled veterans who have a service-connect disability of 100%. Some disabled veterans are being paid at the 100% rate because they are unemployable due to their disability, but their actual service-connected disability is less than 100%. This legislation would open up the tax credit to include all disabled veterans who being paid at the 100% rate. This updated version includes an emergency clause to include eligibility for the 2020 tax year.

## FISCAL NOTE

The Idaho Tax Commission estimates this legislation would have a \$982,000 impact on the general fund. As of August 31, 2019 there are 2,227 veterans receiving individual unemployability (IU) from the Veterans Administration. Approximately 1,091 of those are homeowners that are not currently receiving tax credits from the Circuit Breaker program and they would be eligible for the new credit. The \$982,000 estimate uses \$900 as an average benefit for the new applicants. Any costs to local government would be negligible because they only process the applications.

### Contact:

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**DISCLAIMER:** This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).