

# LB853

Expand Nebraska's Homestead Exemption to Veterans who are at least 50% disabled due to a service-related disability, as determined by the US Department of Veterans Affairs (as amended by AM1601 )

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## Nebraska's Homestead Exemption

The Nebraska homestead exemption program is a property tax relief program for six categories of homeowners. Currently, it covers the following six categories:

1. Persons over age 65
2. Veterans totally disabled by a nonservice-connected accident or illness
3. Qualified disabled individuals
4. Qualified totally disabled veterans and their widows
5. Veterans whose home was substantially contributed to by the Department of Veterans Affairs (DVA) and their widows
6. Individuals who have a developmental disability

LB853 would expand the fourth definition to include qualified partially disabled veterans of 50% or higher.

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**LB853 would prorate Nebraska's homestead exemption for service-connected disabilities at the following rates:**

LB853 Homestead Exemption Prorate	
At least 90% disabled but less than 80% disabled	90% exemption
At least 80% disabled but less than 90% disabled	80% exemption
At least 70% disabled but less than 80% disabled	70% exemption
At least 60% disabled but less than 70% disabled	60% exemption
At least 50% disabled but less than 60% disabled	50% exemption

Currently, Alaska, Illinois, Kansas and Vermont include this definition in their homestead exemption [1]. Service-connected disability ratings are assigned using the VA Schedule for Rating Disabilities' (VASRD), which grades the average impairment of earning capacity that results from the servicemember's injury [2]. Many disabilities that would be considered major impairments to daily life fail to break the 90% disabled threshold. Among these include; PTSD with symptoms of suicidal thoughts and panic attacks (70% disability)[3], knee extension limited to 45 degrees (50% disability), arm amputation below the deltoid but above the elbow (70% non dominant arm, 80% dominant arm disability) [4].

When a veteran has more than disability, the ratings are not simply added together (for example, 30% disability rating + 20% disability does not equal a total 50% disability rating.) Instead, combined ratings are calculated by a formula and rounded down to the nearest 10%, meaning Veterans often have a rating that is less than the sum of their injuries [5].

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## LB853 gives a small amount back to those who have made extraordinary sacrifices for all us

As of 2017, Nebraska had 130,126 Veterans, of which 43,465 received some kind of disability payment. Of this group, 17,629 were at least 50 percent disabled[6]. LB853 focuses the Homestead Exemption at those who have sustained truly life altering injuries while defending our country and way of life.

Fully half (52%) of all veterans badly injured while serving say the government has not given them, as a Veteran, "all the help you think it should." [7] LB853 does not come close to making this right, but is a step in the right direction, and makes it slightly easier for Veterans whose lives were permanently changed while serving our country.

### **LB853 Fact Sheet Citations**

[1]<https://www.veteransunited.com/futurehomeowners/veteran-property-tax-exemptions-by-state>

[2]US Department of Veterans Affairs, 2020  
<https://www.va.gov/disability/about-disability-ratings/>

[3]Veterans Law Group,  
<https://www.veteranslaw.com/disability-ratings/va-disability-ptsd-rating/#:~:text=PTSD%20is%20only%20rated%20at,be%20rated%20at%20that%20level.>

[4] US Code 38 CFR Ch. 1 § 4.71a  
<https://www.govinfo.gov/content/pkg/CFR-2011-title38-vol1/pdf/CFR-2011-title38-vol1-sec4-71a.pdf>

[5]US Department of Veterans Affairs, 2020  
<https://www.va.gov/disability/about-disability-ratings/>

[6]US Department of Veterans Affairs, 20218  
[https://www.va.gov/vetdata/docs/SpecialReports/State\\_Summaries\\_Nebraska.pdf](https://www.va.gov/vetdata/docs/SpecialReports/State_Summaries_Nebraska.pdf)  
<https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Transcripts/Revenue/2020-01-24.pdf>

[7] Pew, 2011  
<https://www.pewresearch.org/social-trends/2011/11/08/for-many-injured-veterans-a-lifetime-of-consequences/>