

1 AN ACT proposing an amendment to Section 170 of the Constitution of Kentucky  
2 relating to property exempt from taxation.

3 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

4 ➔Section 1. It is proposed that Section 170 of the Constitution of Kentucky be  
5 amended to read as follows:

6 **(1)** There shall be exempt from taxation:

7 **(a)** Public property used for public purposes;

8 **(b)** Places of burial not held for private or corporate profit;

9 **(c)** Real property owned and occupied by, and personal property both tangible  
10 and intangible owned by, institutions of religion;

11 **(d)** Institutions of purely public charity;~~[-, and -]~~

12 **(e)** Institutions of education not used or employed for gain by any person or  
13 corporation, and the income of which is devoted solely to the cause of education;~~[-, -]~~

14 **(f)** Public libraries, their endowments, and the income of ~~the~~<sup>such</sup> property as is  
15 used exclusively for their maintenance;

16 **(g)** Household goods of a person used in his home; **and**

17 **(h)** Crops grown in the year in which the assessment is made~~[-,]~~ and in the hands  
18 of the producer.

19 **(2) (a) *There shall be a homestead exemption provided for***~~[-, and -]~~ real property  
20 maintained as the permanent residence of the owner, **if the owner:**~~[who -]~~

21 **1.** Is sixty-five years of age or older;~~[-,]~~ or

22 **2.** Is classified as totally disabled under a program authorized or administered by  
23 an agency of the United States government or by any retirement system either within or  
24 without the Commonwealth of Kentucky, provided the property owner **has:**

25 **a.** Received disability payments pursuant to ~~the~~<sup>such</sup> disability classification;~~[-,]~~  
26 ~~has~~

27 **b.** Maintained ~~the~~<sup>such</sup> disability classification for the **entire**~~[entirety of the]~~

1 particular] taxation period; and[, and has ]

2 c. Filed with the appropriate local assessor by December 31 of the taxation  
3 period, on the provided forms[ ~~provided therefor~~], a signed statement, made under  
4 penalty of perjury, indicating continuing disability.[ ~~as provided herein made under~~  
5 ~~penalty of perjury,~~]

6 (b) The amount of the homestead exemption shall be as follows:

7 1. For a totally disabled veteran with a permanent and total one hundred  
8 percent service-connected disability rating from the United States Department of  
9 Veterans Affairs or its successor, the amount shall be the full assessed value of the real  
10 property up to an assessed valuation of one hundred thousand dollars, as indexed every  
11 two years; and

12 2. For all other owners, the amount shall be up to the assessed valuation of  
13 sixty-five hundred dollars, as indexed every two years.

14 (c) The homestead exemption shall apply to the[~~on said~~] residence and  
15 contiguous real property, except for assessment for special benefits.

16 (d) For a totally disabled veteran with a permanent and total one hundred  
17 percent service-connected disability rating from the United States Department of  
18 Veterans Affairs or its successor, the homestead exemption shall:

19 1. Be transferred to the veteran's surviving spouse upon the death of the  
20 veteran regardless of the age or disability status of the surviving spouse;

21 2. Continue to apply to the property as long as the property is owned and  
22 maintained by the veteran's surviving spouse as his or her personal residence; and

23 3. Cease to apply upon the remarriage of the veteran's surviving spouse.

24 (e) The real property may be held by legal or equitable title, by the entireties,  
25 jointly, in common, as a condominium, or indirectly by the stock ownership or  
26 membership representing the owner's or member's proprietary interest in a corporation  
27 owning a fee or a leasehold initially in excess of ninety-eight years. The homestead

1 exemption~~[exemptions]~~ shall apply only to the value of the real property assessable to the  
2 owner or, in case of ownership through stock or membership in a corporation, the value  
3 of the proportion which his interest in the corporation bears to the assessed value of the  
4 property.

5 (3) The General Assembly may authorize any incorporated city or town to exempt  
6 manufacturing establishments from municipal taxation, for a period not exceeding five  
7 years, as an inducement to their location.

8 (4) Notwithstanding the provisions of Sections 3, 172, and 174 of this  
9 Constitution to the contrary, the General Assembly may provide by law an exemption for  
10 all or any portion of the property tax for any class of personal property.

11 ➔Section 2. This amendment shall be submitted to the voters of the  
12 Commonwealth for their ratification or rejection at the time and in the manner provided  
13 for under Sections 256 and 257 of the Constitution and under KRS 118.415. The question  
14 to be submitted to the voters shall read as follows: "Are you in favor of amending the  
15 Constitution of Kentucky to exempt real property, up to an assessed valuation of  
16 \$100,000, from property taxation when the property is owned by and maintained as the  
17 permanent residence of a veteran with a permanent and total 100% disability rating by the  
18 United States Department of Veterans Affairs due to his or her service in the United  
19 States Armed Forces and to allow, upon the death of the veteran, the exemption to remain  
20 with the property until the death, relocation, or remarriage of the surviving spouse?"

21 ➔Section 3. If ratified by the voters of the Commonwealth, this Act shall apply to  
22 property assessed on and after the January 1st immediately following the date of the  
23 ratification.