



# Homestead Exemptions Across the States

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Program



## Who is NCSL?

- Non-partisan organization.
- Members are all 7,383 legislators and 30,000 legislative staff in 50 states, D.C. and U.S. territories.
- Offices in Denver and D.C.
- Among our goals– to provide legislatures with information and research about policy issues, both state and federal.
- NCSL tracks state policy develops in all public policy areas.







# Presentation Roadmap

- i. Homestead Exemptions
- ii. Circuit Breakers
- iii. Proposed Legislation



# Homestead Exemption Definition



## **Homestead Exemption**

A tool for property tax relief available to homeowners who own and occupy their property. Property taxes are reduced by exempting a portion of the value of the property from assessment. (Lincoln Institute of Land Policy)





# General Homestead Exemption



## Alabama

Homeowners are eligible for an exemption of \$4,000 of assessed value.



## Louisiana

Homeowners are eligible for a \$7,500 exemption of a home's assessed value.



## Oklahoma

Residents are eligible for a homestead exemption of \$1,000 of their properties assessed valuation.



## Florida

Homeowners are exempt from property taxes up to an assessed value of \$25,000.





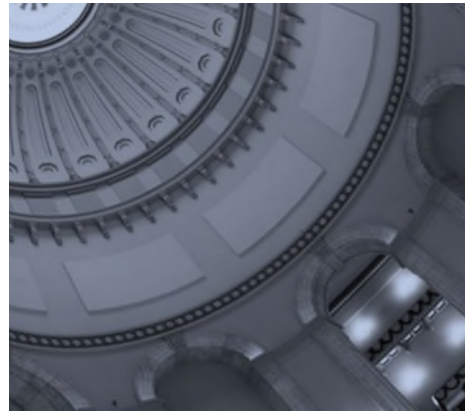
# Homestead Exemptions for Senior Citizens and People With Disabilities



## Georgia

Individuals 65 and older are eligible for a tax exemption of \$4,000 of their home's assessed value in Georgia.

Income Threshold: \$10,000



## South Carolina

Homeowners 65 and older are eligible for a homestead exemption on the first \$50,000 in market value of their residence.

The applicant must have lived in the state for at least one year.

## Illinois

In Illinois, people with disabilities are eligible for a homestead exemption of \$2,000 of the assessed value of their home.



## Alabama

People with disabilities are eligible for a 100% exemption of assessed value from state, county, and city ad valorem taxes in Alabama.



# Colorado Homestead Exemption for Senior Citizens

- Seniors 65 and older
- Must have owned their home for the past 10 years.
- Exemption amount is equal to 50% of the home's first \$200,000 in value
- Veterans with disabilities and their surviving spouses are eligible







## **How do Homestead Exemptions for Veterans vary across the states?**

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## Homestead Exemptions for Veterans:

### *Connecticut*

- 90 days of wartime service requirement
- Property cannot exceed \$305,000
- \$1,500 property tax exemption



## Homestead Exemptions for Veterans:

### *Nevada*

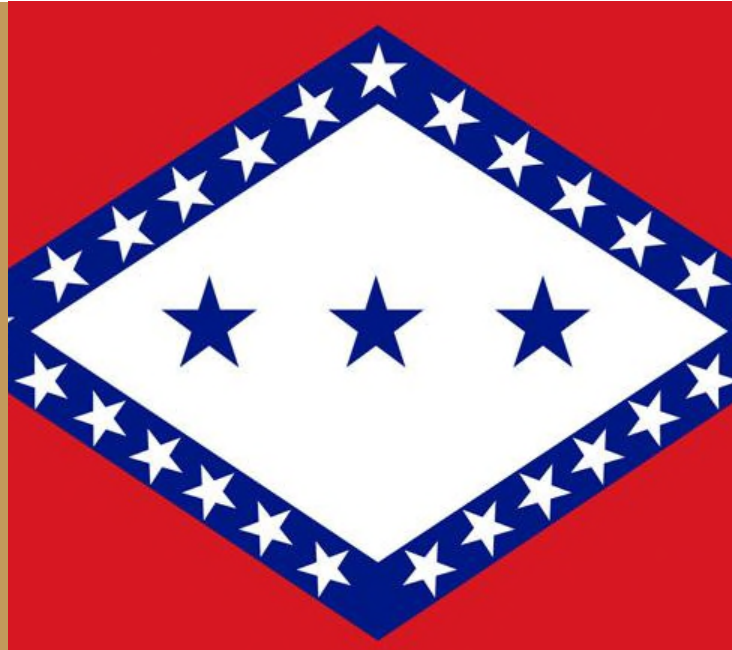
- Minimum 90 days of service
- \$2,000 tax exemption on their properties value.
- Tax exemption amount is adjusted annually.





## Homestead Exemptions for Veterans:

*Arkansas and Nebraska*



- 100% homestead exemption for veterans with total and permanent disabilities.
- No income limits

# Circuit Breakers

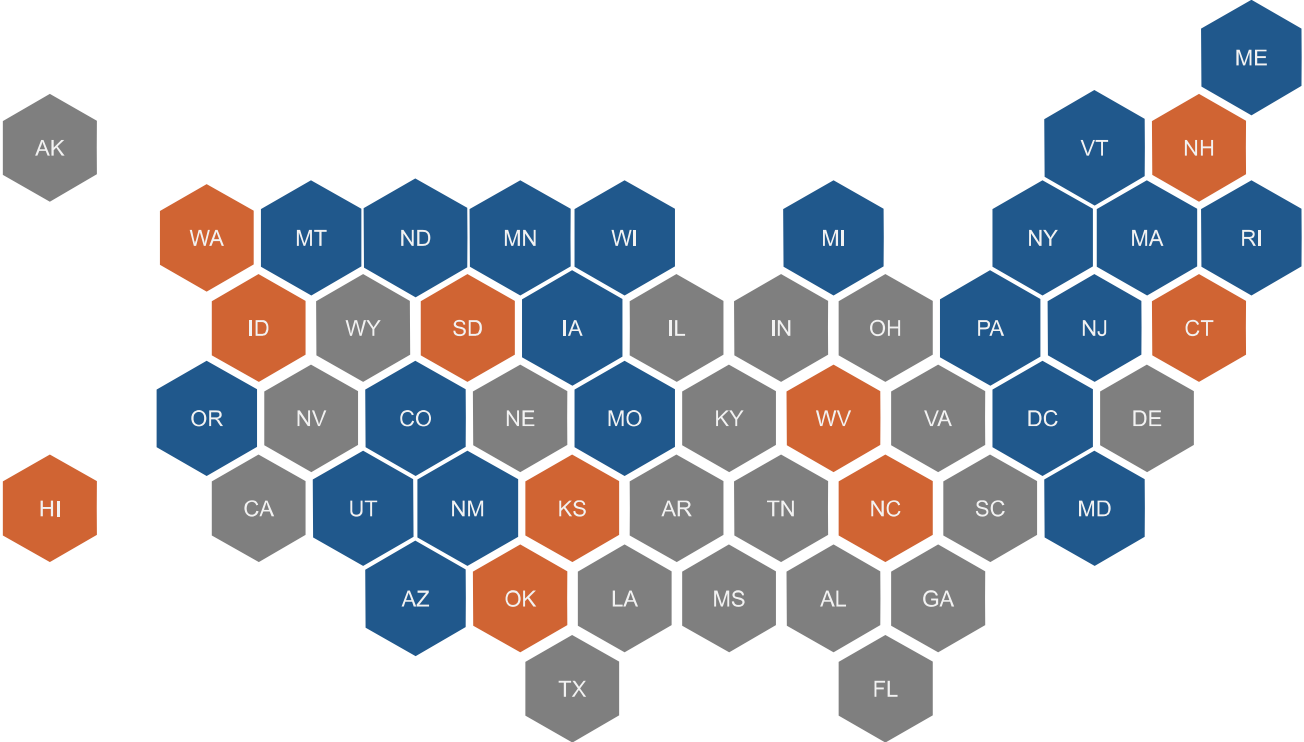
**Circuit breakers** provide tax relief to homeowners and can provide relief to renters as well. Circuit breakers work by refunding low-income individuals whose property tax liability is a significant portion of their income.

States set the income thresholds required for individuals to qualify.

Circuit breakers are offered in the form of credits on income taxes, rebates, and refunds.



# States with Circuit Breaker Programs



■ Circuit breaker for renters and homeowners  
■ Circuit breaker for homeowners only







# Circuit Breaker Programs for Renters

## Maryland: Renters Tax Credit

- 60 or over or 100% disabled who make up to \$73,000.
- People under 60 with income up to \$49,000.
- Max credit is \$1,000.

## Minnesota: Renters Property Tax Refund

- Renters who earn up to \$73,270 are eligible
- Maximum refund of \$2,570.

## North Dakota: The Renters Refund

- People 65 and older, people with a permanent and total disability
- Eligible if 20% of annual rent exceeds 4% of their annual income.
- Max refund: \$400

## D.C.: The Regular and Elderly Circuit Breaker

- Income tax credit equal to the amount that property taxes paid exceeds a percentage of household income
- For renters: 20% of rent paid.
- Credit is adjusted annually

## Montana: The Elderly Homeowner and Renter Tax Credit

- People 62 and over
- Maximum income of \$45,000
- Eligible for credit up to \$1,150



# 2024 Proposed Property Tax Relief Legislation

## Failed Proposals

- [Nebraska LB 1](#): Adopt the Property Tax Growth Limitation Act, the School District Property Tax Relief Act, and the Advertising Services Tax Act and change revenue and taxation provisions
- [South Dakota SB 167](#): An act to limit annual valuation increases on owner-occupied single-family dwellings.
- [Wyoming HB 203](#): An act to provide a homestead exemption on the first \$200,000 of a homes value and impose a sales and use tax to provide for local government funding.

## Enacted

- [Arkansas SB 3](#): Increases the homestead property tax credit to \$500.
- [GA HB 581](#): Limits the increases in property taxes annually.
- [Kansas SB1](#): Increases the amount of residential property exempt from the statewide uniform school finance levy to \$75,000 of appraised value.
- [Nebraska LB34](#): Political subdivisions property tax request could not exceed its property tax request authority and creates The School District Property Tax Relief Credit Fund.
- [Wyoming SF0098](#): Increases the property tax exemption available to veterans from \$3,000 to \$6,000.



# Thank you!

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