

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

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SENATE BILL 109

Short Title: Veterans Appreciation Act. (Public)

Sponsors: Senators Lazzara, Lee, and Sawrey (Primary Sponsors).

Referred to: Rules and Operations of the Senate

February 18, 2025

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE PROPERTY TAX HOMESTEAD EXCLUSION AMOUNT FOR DISABLED VETERANS TO ALLOW FOR THE EXCLUSION OF APPRECIATION OF THE APPRAISED VALUE OF THE PERMANENT RESIDENCE ATTRIBUTABLE TO HOUSING GRANT FUNDING FROM THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS AND TO ALLOW DISABLED VETERANS TO PREQUALIFY FOR THE DISABLED VETERAN PROPERTY TAX HOMESTEAD EXCLUSION.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-277.1C reads as rewritten:

**"§ 105-277.1C. Disabled veteran property tax homestead exclusion.**

(a) Classification. – A permanent residence owned and occupied by a qualifying owner is designated a special class of property under Article V, Section 2(2) of the North Carolina Constitution and is taxable in accordance with this section. The amount excluded from taxation is the first forty-five thousand dollars (\$45,000) of appraised value of the residence ~~is excluded from taxation~~ plus any portion of the appraised value of the residence attributable to adaptations for the qualifying owner's medical needs if the adaptations were funded by a housing grant from the United States Department of Veterans Affairs for one or more service-connected disabilities. A qualifying owner who receives an exclusion under this section may not receive other property tax relief.

...

(f) Application. – An application for the exclusion allowed under this section should be filed during the regular listing period, but may be filed and must be accepted at any time up to and through June 1 preceding the tax year for which the exclusion is claimed. An applicant for an exclusion under this section must establish eligibility for the exclusion by providing a copy of the veteran's disability certification or evidence of benefits received under 38 U.S.C. § 2101. An applicant who has prequalified pursuant to subsection (g) of this section may provide a copy of the prequalification notice provided by the assessor under subsection (g) of this section to establish eligibility for the exclusion provided in this section in lieu of a veteran's disability certification or evidence of benefits received under 38 U.S.C. § 2101.

(g) Prequalification. – A disabled veteran may apply for prequalification of the property tax relief provided by this section notwithstanding that the veteran is not an owner of a permanent residence at the time that the veteran's application for prequalification is submitted. It is the intent of the General Assembly to allow taxpayers and lenders to determine, in advance of the purchase of a primary residence, the availability of the tax benefit provided by this section in order to facilitate omitting exempted amounts from determinations of payment calculations. An application for prequalification under this subsection may be filed at any time and must be



1 submitted on a form approved by the Department. Application forms under this subsection must  
2 be made available by the assessor. Upon receipt of an application under this subsection, the  
3 assessor of the county in which the application is filed must notify the applicant of the applicant's  
4 qualification for eligibility for property tax relief under this section within 30 days. Upon  
5 purchasing a permanent residence, an applicant who has received prequalification under this  
6 subsection must apply for the property tax relief provided by this section as required under  
7 subsection (f) of this section."

8           **SECTION 2.** This act is effective for taxes imposed for taxable years beginning on  
9 or after July 1, 2025.