

Testimony of: Tim Poxson American Legion Department of Michigan Legislative Chair

I would first like to thank the Committee Chair and members of this Committee for this opportunity to address the Committee and your dedication to Veterans and Veteran issues. I am Tim Poxson the Legislative Chair for the American Legion Department of Michigan, and I am here today in support of bills SB 364,330, and 176. Because of the hard work by these bills' sponsors and their staff we were able to bills address many of the issues that have come to our attention as it relates to the Property Tax Exemption given to 100% totally disabled Veterans based on VA findings based on their Military Service. Senator Santana and her staff were particularly helpful. We were able to talk with the CFO of the City of Detroit Assessors office. We learned about the problems in Detroit with Veterans who are eligible to get the 100% property tax exemption. It could in Detroit take up to three years for the City of Detroit to process those claims, because the Tax Board of Review had to approve them, and they were so backed up. We were also able to meet with a 100% total disabled Veteran from Detroit who laid out all the issues that this had caused this Veteran including the over one year it took for this Veteran to get the property tax money back after the three years the veteran had waited to get the City of Detroit to approve her exemption. These three bills will address this issue by allowing the local tax assessor to grant the property Tax Exemption.

The three bills 364,330, and 176 are the work of over two years and will correct some of the issues with 100% property exemption tax.

- 1.)The bills authorize the Veteran to apply one time for the property tax exemption and if granted the veteran will not have to apply again unless there is a change in their status.
- 2.) The Tax Assessor for the local unit of government will be authorized to grant the exemption.

3.) The unmarried surviving spouse of the Veteran who was granted this exemption will be able to keep this exemption even if the spouse moves to a different property that the Veteran never lived in as long as they do not remarry. This became an issue with a recent court decision that the unmarried spouse of a deceased veteran could not keep the exemption because the Veteran had never lived in the property.

4.) Exemptions will be prorated in the case that the Veteran or their unmarried spouse does not own the property for a full tax year, and they are homesteading the property.

5.) If for some reason the unmarried spouse was rejected for this exemption in the year 2023 then it will become a "qualified error". This will let them reapply and it should correct that issue for those that were denied the exemption because the Veteran never lived in the property.

Again, I want to thank the members of this committee and Representatives, Senators and their Staffs that worked with us to correct some of the issues with the Property Tax Exemption given to VA certified 100% totally disabled Veterans from their Military service to this country. And we hope for your full support and passage of these three bills.

Madam Chair, are there any questions for me?

Thank you again for this opportunity to come before this committee Tim Poxson
American Legion Department of Michigan Legislative Chair.