

HOUSE RESEARCH

Bill Summary

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Authors: Nornes

Subject: Property taxation; increasing the market value of blind/disabled homesteads eligible for a reduced class rate

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Section

1 **Class 1.** Increases the market value of class 1b homesteads eligible for the reduced class rate of 0.45 percent from \$32,000 to \$50,000.

Class 1b homesteads are homesteads owned by someone who is either (i) blind, (ii) permanently and totally disabled, or (iii) a veteran who is permanently and totally disabled that has acquired a special housing unit made necessary by the nature of the disability.

The remainder of the value is subject to the regular homestead rate of one percent up to \$500,000 in value, and 1.25% for any value over \$500,000.

Effective for taxes payable in 2006 and thereafter.