

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 public property used for public purposes;
7 places of burial not held for private or corporate profit; real property owned and occupied
8 by, and personal property both tangible and intangible owned by, institutions of religion;
9 institutions of purely public charity, and institutions of education not used or employed
10 for gain by any person or corporation, and the income of which is devoted solely to the
11 cause of education, public libraries, their endowments, and the income of such property
12 as is used exclusively for their maintenance; household goods of a person used in his
13 home; **and** crops grown in the year in which the assessment is made, and in the hands of
14 the producer.

15 **(2) (a) There shall be an exemption from taxation provided for**~~;~~ ~~and~~ real
16 property maintained as the permanent residence of the owner, **if the owner:**

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

18 **2.** Is classified as totally disabled under a program authorized or administered by
19 an agency of the United States government or by any retirement system either within or
20 without the Commonwealth of Kentucky, provided the property owner received disability
21 payments pursuant to **the**~~[such]~~ disability classification, has maintained **the**~~[such]~~
22 disability classification for the **entire**~~[entirety of the particular]~~ taxation period, and has
23 filed with the appropriate local assessor by December 31 of the taxation period, on forms
24 provided therefor, a signed statement **made under penalty of perjury** indicating
25 continuing disability as provided herein.

26 **(b) The amount of the exemption shall be as follows:**

27 **1. For totally and permanently disabled veterans who are rated unemployable**

1 or one hundred percent disabled by the United States Department of Veterans Affairs
 2 or its successor due to a service-connected disability, the amount shall be the full
 3 assessed value of the real property; and

4 2. For all other owners, the amount shall be~~made under penalty of perjury,~~ up
 5 to the assessed valuation of sixty-five hundred dollars, which shall be indexed every two
 6 years.

7 (c) The exemption shall apply to the~~on said~~ residence and contiguous real
 8 property, except for assessment for special benefits.

9 (d) The real property may be held by legal or equitable title, by the entireties,
 10 jointly, in common, as a condominium, or indirectly by the stock ownership or
 11 membership representing the owner's or member's proprietary interest in a corporation
 12 owning a fee or a leasehold initially in excess of ninety-eight years. The exemptions shall
 13 apply only to the value of the real property assessable to the owner or, in case of
 14 ownership through stock or membership in a corporation, the value of the proportion
 15 which his interest in the corporation bears to the assessed value of the property.

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

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

22 ➔Section 2. This amendment shall be submitted to the voters of the
 23 Commonwealth for their ratification or rejection at the time and in the manner provided
 24 for under Sections 256 and 257 of the Constitution and under KRS 118.415. The question
 25 to be submitted to the voters shall read as follows: "Are you in favor of amending the
 26 Constitution of Kentucky to provide an increased homestead exemption equal to the full
 27 assessed value of the property for totally and permanently disabled veterans who have

- 1 been rated unemployable or 100% disabled by the United States Department of Veterans
- 2 Affairs due to their service-connected disabilities?"