

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:

7 **(a)** Public property used for public purposes;

8 **(b)** Places of burial not held for private or corporate profit;

9 **(c)** Real property owned and occupied by, and personal property both tangible
10 and intangible owned by, institutions of religion;

11 **(d)** Institutions of purely public charity;~~[-, and]~~

12 **(e)** Institutions of education not used or employed for gain by any person or
13 corporation, and the income of which is devoted solely to the cause of education;~~[-,]~~

14 **(f)** Public libraries, their endowments, and the income of such property as is used
15 exclusively for their maintenance;

16 **(g)** Household goods of a person used in his ***or her*** home; ***and***

17 **(h)** Crops grown in the year in which the assessment is made~~[-,]~~ and in the hands
18 of the producer.

19 **(2) (a) *There shall be a partial exemption from taxation for a homestead,***
20 ***which is***~~[-, and]~~ real property maintained as the permanent residence of the owner, ***if the***
21 ***owner:***

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

23 **2.** ***Is a disabled veteran with a combined disability rating of at least fifty***
24 ***percent by the United States Department of Veterans Affairs; or***

25 **3.** ~~[-or-]~~Is classified as totally disabled under a program authorized or
26 administered by an agency of the United States government or by any retirement system
27 either within or without the Commonwealth of Kentucky.

1 **(b) In order to qualify for the partial exemption on the basis of a disability, the**
2 **owner shall have:**

3 **1.** ~~[- provided the property owner -]~~ Received disability payments pursuant to
4 **the**~~[such]~~ disability classification;~~[-]~~

5 **2.** ~~[- has -]~~ Maintained **the**~~[such]~~ disability classification for the **entire**~~[entirety of~~
6 ~~the particular]~~ taxation period;~~[-]~~ and

7 **3.** ~~[- has -]~~ Filed with the appropriate local assessor by December 31 of the taxation
8 period, on forms provided therefor, a signed statement, **made under penalty of perjury,**
9 indicating continuing disability as provided herein.

10 **(c) The amount of the partial exemption shall be** ~~[- made under penalty of~~
11 ~~perjury, -]~~ up to the assessed valuation of sixty-five hundred dollars, **which shall be**
12 **indexed every two years,** on **the**~~[said]~~ residence and contiguous real property, except:

13 **1.** For assessment for special benefits; **and**

14 **2. For a disabled veteran, which shall be sixty-five hundred dollars, indexed**
15 **every two years, multiplied by the combined disability rating of the owner.**

16 **(d)** The real property may be held by legal or equitable title, by the entireties,
17 jointly, in common, as a condominium, or indirectly by the stock ownership or
18 membership representing the owner's or member's proprietary interest in a corporation
19 owning a fee or a leasehold initially in excess of ninety-eight years.

20 **(e)** The exemptions shall apply only to the value of the real property assessable to
21 the owner or, in case of ownership through stock or membership in a corporation, the
22 value of the proportion which his interest in the corporation bears to the assessed value of
23 the property.

24 **(f)** The General Assembly may authorize any incorporated city or town to exempt
25 manufacturing establishments from municipal taxation, for a period not exceeding five
26 years, as an inducement to their location.

27 **(g)** Notwithstanding the provisions of Sections 3, 172, and 174 of this

1 Constitution to the contrary, the General Assembly may provide by law an exemption for
2 all or any portion of the property tax for any class of personal property.

3 ➔Section 2. This amendment shall be submitted to the voters of the
4 Commonwealth for their ratification or rejection at the time and in the manner provided
5 for under Sections 256 and 257 of the Constitution and under KRS 118.415. The question
6 to be submitted to the voters shall read as follows: "Are you in favor of amending the
7 Kentucky Constitution to allow partially disabled veterans a portion of the homestead
8 exemption from property tax based on the veteran's combined disability rating?".