

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. Are you in favor of amending the Constitution of Kentucky to require  
5 the homestead exemption to be indexed every two years to the purchasing power of the  
6 dollar, to allow the exemption up to an assessed valuation of \$100,000 for a totally  
7 disabled veteran, and to transfer the exemption to the surviving spouse upon the death of  
8 a totally disabled veteran, as stated below?

9 ➔Section 2. It is proposed that Section 170 of the Constitution of Kentucky be  
10 amended to read as follows:

11 **(1)** There shall be exempt from taxation public property used for public purposes;  
12 places of burial not held for private or corporate profit; real property owned and occupied  
13 by, and personal property both tangible and intangible owned by, institutions of religion;  
14 institutions of purely public charity, and institutions of education not used or employed  
15 for gain by any person or corporation, and the income of which is devoted solely to the  
16 cause of education, public libraries, their endowments, and the income of ~~the~~<sub>[such]</sub>  
17 property as is used exclusively for their maintenance; household goods of a person used  
18 in his or her home; crops grown in the year in which the assessment is made, and in the  
19 hands of the producer.

20 **(2) (a)** ***There shall be a homestead exemption provided for***~~[- and]~~ real property  
21 maintained as the permanent residence of the owner, who is sixty-five years of age or  
22 older, or is classified as totally disabled under a program authorized or administered by an  
23 agency of the United States government or by any retirement system either within or  
24 without the Commonwealth of Kentucky, provided the property owner received disability  
25 payments pursuant to ~~the~~<sub>[such]</sub> disability classification, has maintained ~~the~~<sub>[such]</sub>  
26 disability classification for the ~~entire~~<sub>[entirety of the particular]</sub> taxation period, and has  
27 filed with the appropriate local assessor by December 31 of the taxation period, on forms

1 provided therefor, a signed statement indicating continuing disability as provided herein  
2 made under penalty of perjury.

3 (b) The homestead exemption shall be indexed to the purchasing power of the  
4 dollar every two years and apply to the owner's residence and contiguous real property,  
5 except for assessment for special benefits. The amount of the homestead exemption  
6 shall be up to an assessed valuation of one hundred thousand dollars for a totally  
7 disabled veteran with a permanent and total one hundred percent service-connected  
8 disability rating from the United States Department of Veterans Affairs or its successor;  
9 and~~[,]~~ up to the assessed valuation of sixty-five hundred dollars for all other owners~~[on~~  
10 ~~said residence and contiguous real property, except for assessment for special benefits].~~

11 (c) For a totally disabled veteran with a permanent and total one hundred  
12 percent service-connected disability rating from the United States Department of  
13 Veterans Affairs or its successor, the homestead exemption shall be transferred to the  
14 veteran's surviving spouse upon the death of the veteran, regardless of the age or  
15 disability status of the surviving spouse. The veteran's surviving spouse shall continue  
16 to receive the homestead exemption as long as the property is owned and maintained by  
17 the veteran's surviving spouse as his or her personal residence, but the homestead  
18 exemption shall cease upon the remarriage of the veteran's surviving spouse.

19 (d) The real property may be held by legal or equitable title, by the entireties,  
20 jointly, in common, as a condominium, or indirectly by the stock ownership or  
21 membership representing the owner's or member's proprietary interest in a corporation  
22 owning a fee or a leasehold initially in excess of ninety-eight years. The homestead  
23 exemption~~[exemptions]~~ shall apply only to the value of the real property assessable to the  
24 owner or, in case of ownership through stock or membership in a corporation, the value  
25 of the proportion which his interest in the corporation bears to the assessed value of the  
26 property.

27 (3) The General Assembly may authorize any incorporated city or town to exempt

1 manufacturing establishments from municipal taxation, for a period not exceeding five  
2 years, as an inducement to their location.

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

6 ➔Section 3. This amendment shall be submitted to the voters of the  
7 Commonwealth for their ratification or rejection at the time and in the manner provided  
8 for under Sections 256 and 257 of the Constitution and under Sections 4 and 5 of this  
9 Act.

10 ➔Section 4. Notwithstanding any provision of KRS 118.415 to the contrary, the  
11 Secretary of State shall cause the complete text of Section 1 of this Act and the entirety of  
12 the proposed amendment to the Constitution of Kentucky contained in Section 2 of this  
13 Act to be published at least one time in a newspaper of general circulation published in  
14 this state, and shall also cause to be published at the same time and in the same manner  
15 the fact that the amendment will be submitted to the voters for their acceptance or  
16 rejection at the next regular election at which members of the General Assembly are to be  
17 voted for. The publication required by this section and KRS 118.415 shall be made no  
18 later than the first Tuesday in August preceding the election at which the amendment is to  
19 be voted on.

20 ➔Section 5. Notwithstanding any provision of KRS 118.415 to the contrary, not  
21 later than the second Monday after the second Tuesday in August preceding the next  
22 regular election at which members of the General Assembly are to be chosen in a year in  
23 which there is not an election for President and Vice President of the United States, or not  
24 later than the Thursday after the first Tuesday in September preceding a regular election  
25 in a year in which there is an election for President and Vice President of the United  
26 States, the Secretary of State shall certify the complete text of Section 1 of this Act and  
27 the entirety of the proposed amendment to the Constitution of Kentucky contained in

1 Section 2 of this Act to the county clerk of each county, and the county clerk shall have  
2 the entirety of the text and the amendment, as so certified, indicated on the ballots  
3 provided to the voters in paper or electronic form as applicable to the voting machines in  
4 use in each county or precinct.