

1 AN ACT relating to the valuation of real property for tax purposes.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 132.810 is amended to read as follows:

4 (1) To qualify under the homestead exemption provision of the Constitution, each
5 person claiming the exemption shall file an application with the property valuation
6 administrator of the county in which the applicant resides, on forms prescribed by
7 the department. The assessed value of property on which homestead exemption is
8 claimed shall not be increased because of valuation expressed on the application
9 form filed with the property valuation administrator, and whenever it becomes
10 known that the valuation of property subject to the homestead tax exemption has
11 been increased because of valuation expressed on the application form, adjustment
12 shall be made the following year so that the total tax paid by the taxpayer is the
13 same as if the increase had not been made.

14 (2) (a) Every person filing an application for exemption under the homestead
15 exemption provision must be sixty-five (65) years of age or older during the
16 year for which application is made or must have been classified as totally
17 disabled under a program authorized or administered by an agency of the
18 United States government or by any retirement system either within or
19 without the Commonwealth of Kentucky on January 1 of the year in which
20 application is made.

21 (b) Every person filing an application for exemption under the homestead
22 exemption provision must own and maintain the property for which the
23 exemption is sought as his ***or her*** personal residence.

24 (c) Every person filing an application for exemption under the disability
25 provision of the homestead exemption must have received disability payments
26 pursuant to the disability and must maintain the disability classification for the
27 entirety of the particular taxation period.

- 1 (d) 1. Every person filing for the homestead exemption who is totally disabled
2 and is less than sixty-five (65) years of age must apply for the
3 homestead exemption on an annual basis, except as provided by
4 subparagraph 2. of this paragraph.
- 5 2. a. A service-connected totally disabled veteran of the United States
6 Armed Forces; or
7 b. A totally and permanently disabled individual found disabled
8 under:
9 i. The applicable rules of the Social Security Administration;
10 ii. The applicable rules of the Kentucky Retirement Systems; or
11 iii. Any other provision of the Kentucky Revised Statutes;
12 shall document the disability at the time of application for the
13 homestead exemption and shall not be required to apply for the
14 homestead exemption on an annual basis.
- 15 (e) 1. Only one (1) exemption per residential unit shall be allowed even
16 though the resident may be sixty-five (65) years of age and also totally
17 disabled, and regardless of the number of residents sixty-five (65) years
18 of age or older occupying the unit.
- 19 2. The sixty-five hundred dollars (\$6,500) exemption provided in Section
20 170 of the Constitution of Kentucky shall be construed to mean sixty-
21 five hundred dollars (\$6,500) in terms of the purchasing power of the
22 dollar in 1972.
- 23 3. Every two (2) years thereafter, if the cost of living index of the United
24 States Department of Labor has changed as much as one percent (1%),
25 the maximum exemption shall be adjusted accordingly.
- 26 (f) The real property may be held by legal or equitable title, by the entireties,
27 jointly, in common, as a condominium, or indirectly by the stock ownership

1 or membership representing the owner's or member's proprietary interest in a
2 corporation owning a fee or a leasehold initially in excess of ninety-eight (98)
3 years. The exemption shall apply only to the value of the real property
4 assessable to the owner or, in case of ownership through stock or membership
5 in a corporation, the value of the proportion which his *or her* interest in the
6 corporation bears to the assessed value of the property.

7 (g) A mobile home, recreational vehicle, when classified as real property as
8 provided for in KRS 132.751, or a manufactured house shall qualify as a
9 residential unit for purposes of the homestead exemption provision.

10 (h) When title to property which is exempted, either in whole or in part, under the
11 homestead exemption is transferred, the owner, administrator, executor,
12 trustee, guardian, conservator, curator, or agent shall report ~~the~~^[such] transfer
13 to the property valuation administrator.

14 (3) Notwithstanding any statutory provisions to the contrary, the provisions of this
15 section shall apply to the assessment and taxation of property under the homestead
16 exemption provision for state, county, city, or special district purposes.

17 **(4) Notwithstanding any statutory provisions to the contrary, the assessed value of**
18 **property qualifying for the homestead exemption with an owner who is sixty-five**
19 **(65) years of age or older shall be assessed at a value that is equal to or less than**
20 **the value of the property in the year the owner turns sixty-five (65) years of age or**
21 **the year the owner purchased the property, whichever occurs later.**

22 ~~(5)~~^[(4)] (a) The homestead exemption for disabled persons shall terminate whenever
23 those persons no longer meet the total disability classification at the end of the
24 taxation period for which the homestead exemption has been granted. In no
25 case shall the exemption be prorated for persons who maintained the total
26 disability classification at the end of the taxation period.

27 (b) Any totally disabled person granted the homestead exemption under the

1 disability provision shall report any change in disability classification to the
2 property valuation administrator in the county in which the homestead
3 exemption is authorized.

4 (c) Any person making application and qualifying for the homestead exemption
5 before payment of his ***or her*** property tax bills for the year in question shall
6 be entitled to a full or partial exoneration, as the case may be, of the property
7 tax due to reflect the taxable assessment after allowance for the homestead
8 exemption.

9 (d) Any person making application and qualifying for the homestead exemption
10 after property tax bills have been paid shall be entitled to a refund of the
11 property taxes applicable to the value of the homestead exemption.

12 ~~(6)~~~~(5)~~ In this section, "taxation period" means the period from January 1 through
13 December 31 of the year in which application is made, unless the person
14 maintaining the classification dies before December 31, in which case "taxation
15 period" means the period from January 1 to the date of death.

16 ➔Section 2. This Act applies to property assessed on or after January 1, 2025.