

# Michigan State Tax Commission



## Disabled Veterans Exemption Frequently Asked Questions

February 2023

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## Eligibility Requirements

P.A. 161 of 2013 (MCL 211.7b) provides a property tax exemption for a disabled veteran or their unremarried surviving spouse. Specifically, MCL 211.7b states:

(1) Real property used and owned as a homestead by a disabled veteran who was discharged from the armed forces of the United States under honorable conditions or by an individual described in subsection (2) is exempt from the collection of taxes under this act. To obtain the exemption, an affidavit showing the facts required by this section and a description of the real property shall be filed by the property owner or his or her legal designee with the supervisor or other assessing officer during the period beginning with the tax day for each year and ending at the time of the final adjournment of the local board of review. The affidavit when filed shall be open to inspection. The county treasurer shall cancel taxes subject to collection under this act for any year in which a disabled veteran eligible for the exemption under this section has acquired title to real property exempt under this section. Upon granting the exemption under this section, each local taxing unit shall bear the loss of its portion of the taxes upon which the exemption has been granted.

(2) If a disabled veteran who is otherwise eligible for the exemption under this section dies, either before or after the exemption under this section is granted, the exemption shall remain available to or shall continue for his or her unremarried surviving spouse. The surviving spouse shall comply with the requirements of subsection (1) and shall indicate on the affidavit that he or she is the surviving spouse of a disabled veteran entitled to the exemption under this section. The exemption shall continue as long as the surviving spouse remains unremarried.

(3) As used in this section, “disabled veteran” means a person who is a resident of this state and who meets 1 of the following criteria:

(a) Has been determined by the United States department of veterans affairs to be permanently and totally disabled as a result of military service and entitled to veterans’ benefits at the 100% rate.

(b) Has a certificate from the United States veterans’ administration, or its successors, certifying that he or she is receiving or has received pecuniary assistance due to disability for specially adapted housing.

(c) Has been rated by the United States department of veterans affairs as individually unemployable.

The disabled veteran must have documentation from the U.S. Department of Veterans Affairs which indicates the actual award of benefits under the program to qualify for the exemption. Award letters are generally released each November or December. The local unit should ask for the most recent award letter. The local unit should accept the most recent letter that the unremarried surviving spouse can provide. A letter from the County Department of Veterans Affairs indicating they have reviewed their records and the veteran meets the qualification is insufficient.

All three disability ratings from the Department of Veterans Affairs require that the veteran's disability have been service-connected. The determinations which qualify for exemption under MCL 211.7b are not the same as other veteran's programs which provide benefits based on a disability which is not service connected. A service-connected disability is a disability related to an injury or disease that developed during or was aggravated while on active duty or active duty for training.

### **What does "discharged from the armed forces of the United States under honorable conditions" mean?**

"Honorable conditions" means either an honorable discharge or a general discharge under honorable conditions. Other than honorable conditions (OTH) discharge or dishonorable discharge does not qualify.

### **How is a determination made that the disabled veteran is permanently and totally disabled as a result of military service and entitled to veterans' benefits at the 100% rate?**

The Department of Veterans Affairs Schedule for Rating Disabilities is used to assess the medical conditions and illnesses incurred or aggravated during the veteran's military service and a percentage rating from 0% to 100% is assigned based on the severity of the disability. Individuals filing the affidavit for the exemption under criteria a) must provide a copy of the letter from the Department of Veterans Affairs indicating they have a 100% service-connected disability and are entitled to receive benefits. MCL 211.7b does not require the disabled veteran to have already received the benefit, it only requires that he or she has been determined to be permanently and totally disabled as a result of military service and entitled to veterans' benefits at the 100% rate.

### **What is pecuniary assistance for specially adapted housing?**

The Department of Veterans Affairs provides veterans having certain specified permanent and total service-connected disabilities with financial assistance to purchase or construct an adapted home or modify an existing home to accommodate a disability. There are two grant programs: specially adapted housing grant (SAH) and the special housing adaptation grant (SHA). The State Tax Commission has determined that receipt of either grant would qualify an individual for the exemption under criteria b). Individuals filing the affidavit for the exemption under criteria b) must provide a copy of the certificate from the Department of Veterans Affairs indicating they are receiving or have received pecuniary assistance due to disability for specially adapted housing.

## **What does “individually unemployable” mean?**

Individual unemployability is part of the Department of Veterans Affairs disability compensation program. Under this program, veterans may receive compensation at the 100% rate even though their service-connected disability is not rated at 100%. The Department of Veterans Affairs determines eligibility and in order to be eligible, a veteran must prove they are unable to maintain substantially gainful employment as a result of their service-connected disability. In addition, the veteran must have one service-connected disability rated at 60% or more or two or more service-connected disabilities with at least one rated at 40% or more with a combined rating of 70% or more. Individuals filing the affidavit for the exemption under criteria c) must provide a copy of the letter from the Department of Veterans Affairs indicating they are individually unemployable. The assessor and Board of Review are not required to or permitted to assess the veteran's qualifications independently. Instead, documentation issued by the Department of Veterans Affairs must form the basis for the evaluation and qualification for the exemption.

## **Is there an asset test and/or means test to determine eligibility?**

No, there is no asset test and/or means test to determine eligibility. To be eligible, the disabled veteran must meet the requirements of MCL 211.7b regardless of the income or the value of the assets of the veteran or the unremarried surviving spouse.

## **Can the local assessor make the determination that the veteran qualifies for the exemption, or must the Board of Review grant the exemption?**

Based on the wording of the statute, the Disabled Veterans Exemption must be approved or confirmed by the Board of Review. If the assessor receives the required paperwork from a qualified veteran prior to sending the assessment change notices in February of the assessment year, the assessor can provisionally grant the exemption. This will allow assessors to avoid sending an assessment notice that may lead the veteran to believe that the exemption has been denied and that they must protest to the March Board of Review to receive the exemption. However, the assessor must then submit the exemption documentation to the March Board of Review and the Board of Review must then make an independent determination on whether to grant or deny the exemption.

## **Can the local Board of Review deny the exemption of a disabled veteran who has received a designation from the Department of Veterans Affairs of 100% total and permanently disabled, individually unemployable, or is receiving assistance for specially adapted housing?**

If the veteran or unremarried surviving spouse meets the requirements of MCL 211.7b and has received a determination of 100% total and permanent disability, individually unemployable, or is receiving or has received assistance for specially adapted housing, the Board of Review cannot make an independent determination that they do not believe the veteran or unremarried surviving spouse is entitled to the exemption and deny the exemption.

**A disabled veteran already owns a qualifying homestead but has not yet obtained the necessary Department of Veterans Affairs determination letter, can the exemption be granted?**

No. However, when the determination letter is received, it can be submitted to the Board of Review, along with the other required documentation and the Board of Review may grant the exemption.

**Unremarried Surviving Spouse**

MCL 211.7b states:

If a disabled veteran who is otherwise eligible for the exemption under this section dies, either before or after the exemption under this section is granted, the exemption shall remain available to or shall continue for his or her unremarried surviving spouse. The surviving spouse shall comply with the requirements of subsection (1) and shall indicate on the affidavit that he or she is the surviving spouse of a disabled veteran entitled to the exemption under this section. The exemption shall continue as long as the surviving spouse remains unremarried.

**I am an unremarried surviving spouse. How do I prove I qualify for the exemption?**

An unremarried surviving spouse qualifies for the exemption by their spouse having been qualified prior to their death. The unremarried surviving spouse must meet the same residency and ownership requirements as the veteran. In addition, the surviving spouse must have been living with the disabled veteran at the time of his or her death and must have never remarried. Further, the disabled veteran must have been a Michigan resident at the time of his or her death, must have owned a Michigan homestead at the time of his or her death, and must be determined to have been qualified for disability benefits under one of the three specified criteria in MCL 211.7b prior to his or her death.

**If an unremarried surviving spouse is receiving dependency and indemnity compensation does that make them eligible for the exemption?**

No. Qualification for benefits under other Department of Veterans Affairs programs does not qualify the unremarried surviving spouse to receive the exemption.

**If the unremarried surviving spouse purchases a new home either in the same local unit or another local unit, are they still eligible for the exemption?**

No. On May 19, 2022, the Michigan Court of Appeals issued a published decision in *Lockhart v Ontonagon Twp*, Docket No. 356883. This decision relates to eligibility of the Disabled Veterans Exemption in MCL 211.7b for an unremarried surviving spouse. The Court of Appeals determined that under the language in MCL 211.7b, if the disabled

veteran had not **used and owned the property as a homestead prior to their death**, the unremarried surviving spouse could not qualify to receive the Disabled Veterans Exemption on that property.

**Is the *Lockhart v Ontonagon Twp* Court of Appeals decision retroactive?**

The Court of Appeals' decision does not indicate that it should be applied to tax years prior to when the case was decided (May 2022). The State Tax Commission advises that the decision should be applied from May 2022 going forward. Assessors should not take prior year exemptions granted to the unremarried surviving spouse to the July or December Board of Review or file MCL 211.154 petitions with the State Tax Commission.

**Can an unremarried surviving spouse claim the exemption if he or she demolishes the existing home on the parcel and constructs a new home the veteran never occupied?**

No. The property must have been owned and used as a homestead by the veteran prior to their death.

**Can an unremarried surviving spouse split the parcel, build a new house on one parcel and rent the original house?**

No. The property must have been owned and used as a homestead by the veteran prior to their death. In this example, the veteran never owned and used the new house, so the surviving spouse is not eligible to claim the exemption. Further, the exemption is not available on the original house because it is being rented.

**If a surviving spouse of a qualified disabled veteran remarries and then divorces, or is again widowed, is he or she qualified as an unremarried surviving spouse?**

No. "Unremarried" means that the spouse has remained unmarried since the date of the veteran's death.

**Can a surviving spouse receive the exemption if the veteran was never declared permanently and totally disabled and receiving benefits at the 100% rate, was never declared individually employable, or was never receiving pecuniary assistance for specially adapted housing?**

No. The eligibility of the surviving spouse is conferred upon them by the veteran having been eligible prior to his or her death.

**If a surviving spouse was married to a person who died in the line of duty, does the surviving spouse qualify for the exemption?**

No. Unfortunately, the exemption is only available to unremarried surviving spouses of disabled veterans who have received the requisite determination from the Department of Veterans Affairs.

## **Does an unremarried surviving spouse have to obtain a current award letter from the Department of Veterans Affairs to continue to receive the exemption?**

No. The unremarried surviving spouse may not be able to obtain an award letter after the veteran dies. The State Tax Commission advises that the Board of Review should accept the most recent letter that the unremarried surviving spouse can provide.

## **Applying for the Exemption**

### **How do I apply for the exemption?**

To apply for the exemption, the disabled veteran, their unremarried surviving spouse, or their legal designee must **annually** file Form 5107, *Affidavit for Disabled Veterans Exemption* with the city or township where the property is located. The disabled veteran (or unremarried surviving spouse) must file Form 5107 and supporting evidence with the local city or township assessor. Form 5107 **should not** be filed with the Department of Treasury or State Tax Commission.

### **Who has the authority to grant or deny the exemption?**

The March, July, and December Boards of Review have authority to review and grant or deny the Disabled Veterans Exemption. The sentence “during the period beginning with the tax day for each year and ending at the time of the final adjournment of the local board of review” has been interpreted by the State Tax Commission to mean the March, July, and December Boards of Review all have authority to grant this exemption. Taxpayers should contact the city or township assessing office to determine the last day they will accept applications to present to the December Board of Review.

### **What is the authority of the Board of Review to grant an exemption for a prior assessment year?**

The March, July, and December Board of Review only has the authority to grant a Disabled Veteran’s Exemption for the **current year** when Form 5107 and all supporting documentation is supplied.

In addition, the July and December Boards of Review, under MCL 211.53b, have the authority to grant a disabled veterans exemption for the current year and the immediately preceding year as a qualified error:

- i) An issue beyond the control of a disabled veteran or his or her unremarried surviving spouse **that causes a denial** of an exemption under section 7b. An issue beyond the control of a disabled veteran or his or her unremarried surviving spouse means an error made by the local tax collecting unit in the processing of a timely filed exemption affidavit or a delay in the determination by the United States Department of Veterans Affairs that a veteran is permanently and totally disabled as



a result of military service and entitled to veterans' benefits at the 100% rate.

**If the exemption is granted by the July or December Board of Review, does it eliminate all the property taxes for that year?**

Yes, as long as the disabled veteran owned and occupied the property as a homestead for the entire year. For example, if the exemption is granted by the December Board of Review then refunds would be issued for the taxes paid in September and no taxes would be due on the property in February of the following year.

**If a disabled veteran owned and lived in their home for the full year and receives a Veterans Affairs determination in August that they are 100% totally and permanently disabled, individually unemployable, or have been granted pecuniary assistance for specially adaptive housing, do they receive the exemption for the full year?**

Yes. If the disabled veteran files Form 5107 and all supporting documentation with the city or township prior to the closing of the December Board of Review, the December Board of Review should grant the exemption for the entire year.

**Are special assessments eliminated when the Disabled Veterans Exemption is granted?**

No, unless the statutory provision for that specific special assessment states otherwise. In general, special assessments are not considered property taxes. MCL 211.7b specifically indicates that the property is exempt from the collection of taxes under the General Property Tax Act. If an exemption is granted under MCL 211.7b, a special assessment would not generally be eliminated and would still be required to be paid. Millage based special assessments, such as MCL 41.801 which provides funding for police and fire protection services, specifically provides that exempt properties are not subject to the special assessment. If the special assessment statute under states that it does not apply to exempt properties, then the property would not be subject to the special assessment once the exemption is granted.

**How do I get my refund if I escrow my taxes?**

Taxpayers are advised to contact their mortgage company or bank.

**I am a disabled veteran and I live with my mother now and pay the property taxes. My mother's home is in a life estate and I will receive the home upon her death. Am I eligible for the exemption?**

No. Your mother is the owner of the home under the life estate and you do not receive any ownership interest unless she still owns the home at the time of her death.

## **My home is in a trust. Am I eligible for the exemption?**

That depends on the form of the trust. Any trust that shares ownership of the home (provides that there are additional current beneficiaries) other than the disabled veteran and/or his or her spouse or unremarried surviving spouse would not be eligible for the exemption. MCL 211.7b does not provide for a partial exemption in the situation where the veteran or unremarried surviving spouse are only a partial owner of a property.

## **Property Eligible for the Exemption**

### **What property is eligible for the exemption?**

Real property owned and used as a homestead by the disabled veteran or his or her unremarried surviving spouse is eligible for the exemption. Personal property is not eligible for the exemption.

### **What does “homestead” mean?**

A homestead is defined as any dwelling with its land and buildings where a family makes its home. A homestead within the meaning of the statute is the primary residence of a disabled veteran who is a Michigan resident or the primary residence of an unremarried surviving spouse who is a Michigan resident. To be a homestead, the residence must be owned by the disabled veteran or unremarried surviving spouse and must be the place where they always intend to return.

The disabled veteran or unremarried surviving spouse must have filed a Michigan income tax return claiming resident status or, if he or she is a new resident who has not yet been required to file a Michigan income tax return, he or she must intend to file a Michigan income tax return claiming resident status.

### **Does the veteran or unremarried surviving spouse have to be receiving a Principal Residence Exemption on the property in order to qualify for the exemption?**

No. MCL 21.7b does not require the veteran or unremarried surviving spouse to be receiving a Principal Residence Exemption. MCL 211.7b only requires them to own and use the property as their homestead.

### **Are parcels contiguous to the parcel I live on eligible for the exemption?**

No. MCL 211.7b is specific that the exemption is for real property owned and used as a homestead. A “Homestead” and a “Principal Residence” are not interchangeable terms. The criteria to qualify under the Principal Residence Exemption and to qualify for this exemption are not the same. Therefore, the qualification provided for contiguous vacant parcels under the Principal Residence Exemption does not apply.

**Is the property eligible to receive a partial exemption if it is also used for a business purpose?**

No. The property either qualifies for a 100% exemption or it does not qualify at all. There are no partial exemptions granted. If the property is used for any business or commercial purpose, other than for farming, it will not qualify for the exemption.

The State Tax Commission has determined that a minor business activity, which results in the use of 5% or less of the value of the parcel for business purposes is not disqualifying.

**Is the property eligible to receive the exemption if there are other structures on the property which could be rented or used for a business purpose but are not currently being used?**

Yes. The Disabled Veterans Exemption is determined by the actual use of the property. Provided that there is no other actual use of the property, other than farming, the property can qualify as the disabled veteran's or unremarried surviving spouse's homestead, if all other requirements are met.

**If there is an unused commercial building, second residence or apartment on the parcel claimed as the homestead, is the parcel disqualified from receiving the exemption?**

No. Unlike the Principal Residence Exemption, the Disabled Veterans Exemption depends on their being no actual other use of the parcel. A potential alternative use is not automatically disqualifying.

**If I own the land and am in the process of building a home which will be my homestead, will the property qualify for an exemption?**

No. Until the property is actually occupied by the disabled veteran or unremarried surviving spouse, it cannot qualify for exemption. When the property is occupied, the disabled veteran or unremarried surviving spouse will be eligible for a part-year exemption.

**I am in the process of building a home and am living in a trailer on the property until the home is completed. Do I qualify for the exemption?**

Yes, as long as you own the trailer and are using it as your homestead and meet all other requirements for the exemption.

**I rent my home but pay property taxes as part of my rent, am I eligible?**

No. MCL 211.7b is specific that the property must be owned by the disabled veteran or by their unremarried surviving spouse.

**I am a disabled veteran who is a lifelong Michigan resident. In addition to my primary residence, I also own a summer home “up north”. Are both of my homes eligible for the exemption?**

No. MCL 211.7b is specific that the property must be owned and used as a homestead. The statute does not provide for receiving more than one Disabled Veterans Exemption.

**If I own stock or a membership in a residential cooperative, does my unit qualify for the exemption?**

No. A membership or stock ownership in a cooperative is the ownership of an interest in a corporation, not the ownership of real property.

**If I have a life estate, life lease, or “lady bird” life interest in my residence and the remainder interest is held by others, can my property qualify as my homestead?**

Yes. If the other requirements for receiving the exemption are satisfied, then property occupied under a life estate, life lease, or “lady bird” life interest can qualify as the disabled veteran’s or unremarried surviving spouse’s homestead.

**If my home is in a joint tenancy or there are other co-owners, am I eligible for the exemption?**

No. A joint tenancy is a form of concurrent ownership wherein each co-tenant owns an undivided share of property and the surviving co-tenant has the right to the whole estate. A co-ownership is a fractional ownership interest, with part ownership held by others. MCL 211.7b does not provide for a partial exemption in the situation where you are a partial owner of a property.

Ownership of the homestead by the disabled veteran with his or her spouse, as tenants by the entireties, is not disqualifying.

**If I am disqualified from receiving the exemption because there are other joint tenants or co-owners, can I remove the other owners from the deed and reapply for the exemption in a subsequent year?**

Yes. If a disabled veteran or unremarried surviving spouse applied for and was denied the exemption due to other joint tenants or co-owners, the disabled veteran or unremarried surviving spouse can execute a new deed that removes the other owners. However, once the exemption is denied by a Board of Review in the current year, it cannot be resubmitted and granted to another Board of Review during that same year.

## **Changes in the Property's Status During the Assessment Year**

### **During the assessment year, if ownership of the property is *acquired* by a qualified disabled veteran how do the claimant and the assessor proceed?**

Disabled veterans who purchased their home mid-year are eligible for a partial refund of the current year's summer and winter taxes they have paid for that year or an exemption from taxes they will pay for that year. Taxpayers are encouraged to provide the local city or township with a copy of the closing documents from the purchase of their home to assist the local unit in determining their property tax obligations.

The qualified disabled veteran should follow the normal application process except that the claimant must also submit the closing statement associated with the property purchase transaction and, after the documentation is reviewed by the assessor, he or she submits the documentation to the next meeting of the Board of Review. If the Board of Review determines that the exemption should be granted, it approves the exemption.

Once the exemption is granted by the Board of Review, the assessor will need to indicate the amount of the current year's summer and winter taxes to be refunded or abated. If taxes are refunded, the refund is issued to the veteran, but the refund and/or abatement cannot exceed the amount of taxes actually allocated to him or her in the closing statement.

### **What if the veteran is unable or unwilling to provide a closing statement when they sell or purchase a home? How is the property tax liability calculated?**

In the absence of the closing documents, the total taxes for the year should be divided by 12 and then multiply that number by the number of months the veteran will own the home and occupy it as their homestead.

### **If the veteran purchases the property but does not immediately occupy the property as his or her homestead, does the property qualify for exemption?**

Yes. If the period between the closing and the date the property became the veteran's homestead is thirty days or less, then the proration of taxes shown on the closing statement may be used to determine the amount of taxes to be abated and/or refunded. If occupancy is delayed for more than thirty days after closing, the amount of taxes abated or refunded *shall be the lesser of* the amount that the veteran was required to pay according to the closing statement or the amount of current-year taxes which would normally be assigned to the purchaser, as calculated on a calendar-year basis.

### **During the assessment year, if ownership of property is *surrendered*, how do the claimant and the assessor proceed?**

The Disabled Veteran's Exemption is only available for the period that the disabled veteran or unremarried surviving spouse was both the owner of the property and occupied it as his or her homestead while a Michigan resident. The veteran or

unremarried surviving spouse is required to inform the assessor if he or she surrenders ownership of the property or adds owners to the title other than the veteran's spouse. If ownership of the property is surrendered, or if co-owners are added, the assessor shall determine the amount of the taxes which should not be abated based on the closing statement for the sale transaction or, if there was no sale involved, the date that the disqualifying event occurred. The assessor shall then petition the State Tax Commission to add the property to the roll as omitted property under MCL 211.154. The petition should be submitted based on the assessed and taxable value which would have been determined had the exemption not been in place. After approval by the State Tax Commission, the treasurer may cancel the portion of the tax billing which corresponds to the prorated portion of the current year taxes prorated to the veteran's occupancy of the residence and qualification of the exemption.

**If a disabled veteran is granted the exemption and then sells or transfer the property during the same year, what steps should be taken by the assessor?**

Assessors should obtain a copy of the closing statement to determine the actual amount of property taxes paid by the disabled veteran in the year of the sale. If there was not a formal proration of taxes included in the sale of the property, then it is likely the disabled veteran paid no taxes in the year of the sale and the amount of the current year exemption is zero dollars.

Assessors in the local unit where the disabled veteran has sold the home should file a MCL 211.154 petition with the State Tax Commission to add the parcel back to the roll as omitted property. The petition should be submitted based on the assessed and taxable value which would have been determined had the exemption not been in place. Assessors should indicate on the MCL 211.154 petition the amount of current year tax reduction associated with the disabled veteran or unremarried surviving spouse ownership. If the assessor cannot obtain a copy of the closing statement, then assume the disabled veteran did not pay any current year taxes or assume payment for any current year taxes and include a statement of these circumstances on the MCL 211.154 petition. After approval by the State Tax Commission, the treasurer can cancel the portion of the tax billing which corresponds to the prorated portion of the current year taxes prorated to the veteran's occupancy of the residence and qualification of the exemption.

**Other Questions and Answers**

**How should an assessor proceed if it is determined that an exemption was granted when the claimant or property did not qualify, or that the claimant qualified but the exemption was mistakenly granted for a contiguous parcel?**

If a local unit determines that an exemption was granted under MCL 211.7b to an individual that was not eligible or was granted for non-eligible contiguous property, the local unit may file a MCL 211.154 to correct the error.

**How should the assessor show the disabled veteran's exempt property on the roll and how should Headlee Additions and Losses, Capped value Addition and Loss, and Equalization New and Loss be handled?**

The qualified disabled veteran or unremarried surviving spouse must refile for the exemption on an annual basis, in a manner similar to the Poverty Exemption under MCL 211.7u. If a current recipient of the exemption does not submit his or her affidavit and other documentation by the time the roll is transmitted to the March Board of Review, the assessor must place the property on the roll, as would be the case for the Poverty Exemption. Further, the handling of Headlee Additions and Losses, Capped Value Addition and Loss and Equalization New and Loss is the same as for the Poverty Exemption. When the property is returned to the roll, the Taxable Value is established in an amount calculated using the same procedures as are used for the Poverty Exemption.

**If the Board of Review is aware that a qualified disabled veteran or unremarried surviving spouse is in the process of selling the property claimed as his or her homestead, can they deny the exemption?**

Yes. If the Board of Review is aware that the claimant is in the process of selling the property, the State Tax Commission believes that this fact provides evidence that the claimant does not "always intend to return" to that property, and that the property is no longer the claimant's homestead.

**Should the Board of Review deny the exemption if the letter supplied with the affidavit is not the Summary of Benefits letter we normally receive; however, it is on the Department of Veterans Affairs letterhead and it does have the necessary information needed to receive the exemption?**

No, the Department of Veterans Affairs does not have a standard letter they send to the veterans. The type of letter issued depends on which Veterans Affairs location the letter comes from. If the letter is from the Department of Veterans Affairs and has their logo, the exemption should be approved as long as the veteran meets one of three qualifications under MCL 211.7b.

# **Sample Summary of Benefits Letters**





DEPARTMENT OF VETERANS AFFAIRS

January 20, 2023

Name of Veteran  
Address

In Reply Refer  
to: xxx-xx-xxxx  
27/eBenefits

Dear Veteran:

This letter is a summary of benefits you currently receive from the Department of Veterans Affairs (VA). We are providing this letter to disabled Veterans to use in applying for benefits such as state or local property or vehicle tax relief, civil service preference, to obtain housing entitlements, free or reduced state park annual memberships, or any other program or entitlement in which verification of VA benefits is required. Please safeguard this important document. This letter is considered an official record of your VA entitlement.

Our records contain the following information:

Personal Claim Information

Your VA claim number is: xxx-xx-xxxx

You are the Veteran.

Sample

Military Information

Your most recent, verified periods of service (up to three) include:

Branch of Service	Character of Service	Entered Active Duty	Released/Discharged
<i>Military Branch</i>	Honorable (Type of Discharge received from Dept. of Defense)	Date	Date

(There may be additional periods of service not listed above.)

VA Benefit Information

You have one or more service-connected disabilities: Answer Yes or No

Your combined service-connected evaluation is: Percentage VA Rated Veteran

You are considered to be totally and permanently disabled due solely to your service-connected disabilities: Answer: Yes or No

You should contact your state or local office of Veterans' affairs for information on any tax, license, or fee-related benefits for which you may be eligible. State offices of Veterans' affairs are available at <http://www.va.gov/statedva.htm>.

## How You Can Contact Us

- If you need general information about benefits and eligibility, please visit us at <https://www.ebenefits.va.gov> or <http://www.va.gov>.
- Call us at 1-800-827-1000. If you use a Telecommunications Device for the Deaf (TDD), the number is 1-800-829-4833.
- Ask a question on the Internet at <https://www.va.gov/contact-us>.

Sincerely Yours,

**Regional Office Director**



# Sample



**Department of  
Veterans Affairs**

477 MICHIGAN AVE  
DETROIT MI 48226

**SAMPLE TYPICAL SUMMARY OF BENEFITS LETTER**

Veteran's Name:

This letter is a summary of benefits you currently receive from the Department of Veterans Affairs (VA). We are providing this letter to disabled Veterans to use in applying for benefits such as housing entitlements, free or reduced state park annual memberships, state or local property or vehicle tax relief, civil service preference, or any other program or entitlement in which verification of VA benefits is required. Please safeguard this important document. This letter replaces VA Form 20-5455, and is considered an official record of your VA entitlement.

**--America is Grateful to You for Your Service--**

Our records contain the following information:

**Personal Claim Information:**

Your VA claim number is:

You are the Veteran

**Military Information:**

Your character(s) of discharge and service date(s) include:

Marine Corps, Honorable,

(You may have additional periods of service not listed above)

**VA Benefits Information:**

Service-connected disability: **Yes**

Your combined service-connected evaluation is: **100 PERCENT**

The effective date of the last change to your current award was: 01-DEC-2012

Your current monthly award amount is:

Are you considered to be **totally and permanently disabled** due to your service-connected disabilities: **Yes**

You should contact your state or local office of Veterans' affairs for information on any tax, license, or fee-related benefits for which you may be eligible. State offices of Veterans' affairs are available at <http://www.va.gov/statedva.htm>.

**Need Additional Information or Verification?**

If you have any questions about this letter or need additional verification of VA benefits, please call us at 1-800-827-1000. If you use a Telecommunications Device for the Deaf (TDD), the number is 1-800-829-4833. Send electronic inquiries through the Internet at <https://iris.va.gov>.

Sincerely yours,

VETERANS SERVICE CENTER MANAGER



**Department of Veterans Affairs**

PO BOX 4444  
JANESVILLE WI 53547-4444

Example of typical yearly IU tax abatement statement



November 10, 2022

Veteran's Name:

2135593\_110982\*\*\*\*\*AUTO\*\*5-DIGIT 48169 T290 P6



This letter is a summary of benefits you currently receive from the Department of Veterans Affairs (VA). We are providing this letter to disabled Veterans to use in applying for benefits such as housing entitlements, free or reduced state park annual memberships, state or local property or vehicle tax relief, ~~civil service preference, or any other program or entitlement in which verification of VA benefits is required.~~ Please safeguard this important document. This letter replaces VA Form 20-5455, and is considered an official record of your VA entitlement.

**--America is Grateful to You for Your Service--**

Our records contain the following information:

**Personal Claim Information:**

Your VA claim number is: [REDACTED]  
You are the Veteran

**Military Information:**

Your character(s) of discharge and service date(s) include:  
Navy, Honorable, 28-Jan-1969 - 03-Mar-1972  
(You may have additional periods of service not listed above)

**VA Benefits Information:**

Service-connected disability: **Yes**  
Your combined service-connected evaluation is: **60 PERCENT**  
The effective date of the last change to your current award was: 01-DEC-2021  
Your current monthly award amount is: \$3,517.84  
Are you being paid at the 100 percent rate because you are unemployable due to your service-connected disabilities: **Yes**  
Are you considered to be totally and permanently disabled due to your service-connected disabilities: **Yes**

You should contact your state or local office of Veterans' affairs for information on any tax, license, or fee-related benefits for which you may be eligible. State offices of Veterans' affairs are available at <http://www.va.gov/statedva.htm>.

**Need Additional Information or Verification?**

If you have any questions about this letter or need additional verification of VA benefits, please call us at 1-800-827-1000. If you use a Telecommunications Device for the Deaf (TDD), the federal relay number is 711. Send electronic inquiries through the Internet at <https://iris.custhelp.va.gov/>.

Sincerely yours.

Regional Office Director

**NE201221**

Example of newly awarded 100 P&T veteran, they may not receive a tax abatement statement before applying for a property tax exemption that first year, they will start receiving them the following November.



April 5, 2022

## We made a decision on your VA benefits.

Dear \_\_\_\_\_:

This letter will guide you through the information you should know and steps you may take now that VA has made a decision about your benefits.

### Your Benefit Information:

- Evaluation of posttraumatic stress disorder (PTSD), major depressive disorder, with anxious distress, which is currently 30 percent disabling, is increased to 100 percent effective February 2, 2021.
- Entitlement to special monthly compensation based on housebound criteria being met is granted from February 2, 2021.
- Basic eligibility to Dependents' Educational Assistance based on permanent and total disability status is established from February 2, 2021.
- The claimant is considered competent.
- Service connection for copd is denied.

Your combined rating evaluation is:

Combined Rating Evaluation	Effective Date
30%	Jan 31, 2018
70%	Oct 15, 2018
<u>100%</u>	Feb 2, 2021

### How VA Combines Percentages

If you have more than one condition, VA will combine percentages to determine your overall disability rating. The percentages assigned for each of your conditions may not always add up to your combined

#### We have included with this letter:

1. Explanation of Payment
2. Additional Benefits
3. Where to Send Your Correspondence
4. VA Form 20-0998
5. Rating Decision
6. Fraud Prevention Attachment

#### Contact information:

Web: [www.vets.gov](http://www.vets.gov)  
Phone: 1-800-827-1000  
TDD: 711  
To send questions online: visit <https://iris.custhelp.com/>

#### Social Media:

Twitter: @VAVetBenefits  
Facebook: [www.facebook.com/VeteransBenefits](http://www.facebook.com/VeteransBenefits)

#### Your representative:

You appointed AMERICAN LEGION as your accredited representative. They have also received a copy of this letter.

They can help you with any questions you have about your claim.

If you or someone you know is in crisis, call the *Veterans Crisis Line* at 1-800-273-8255 and press 1.



March 31, 2022



## We made a decision on your VA benefits.

Dear:

This letter will guide you through the information you should know and steps you may take now that VA has made a decision about your benefits.

### Your Benefit Information:

- Evaluation of post traumatic stress disorder, which is currently 50 percent disabling, is increased to 70 percent effective December 29, 2021.
- Entitlement to individual unemployability is granted effective July 14, 2021.
- Basic eligibility to Dependents' Educational Assistance based on permanent and total disability status is established from July 14, 2021.
- Evaluation of coronary artery disease with old myocardial infarction, which is currently 60 percent disabling, is continued.

Your combined rating evaluation is:

Combined Rating Evaluation	Effective Date
10%	Aug 31, 2010
20%	Sep 30, 2011
80%	Jul 14, 2021
90%	Dec 29, 2021

### How VA Combines Percentages

If you have more than one condition, VA will combine percentages to determine your overall disability rating. The percentages assigned for

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TDD: 711  
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#### Social Media:

Twitter: [@VA\\_VetBenefits](https://twitter.com/VA_VetBenefits)  
Facebook: [www.facebook.com/VeteransBenefits](https://www.facebook.com/VeteransBenefits)

#### Your representative:

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If you or someone you know is in crisis, call the *Veterans Crisis Line* at 1-800-273-8255 and press 1.





**DEPARTMENT OF VETERANS AFFAIRS  
Veterans Benefits Administration  
Regional Office**

**VA File Number**

**Represented By:  
AMERICAN LEGION  
Rating Decision  
03/30/2022**

**INTRODUCTION**

The records reflect that you are a Veteran of the Vietnam Era. You served in the Army from October 11, 1967 to October 10, 1969. You filed a new claim for benefits that was received on December 29, 2021. Based on a review of the evidence listed below, we have made the following decision(s) on your claim.

**DECISION**

1. Evaluation of post traumatic stress disorder, which is currently 50 percent disabling, is increased to 70 percent effective December 29, 2021.
2. Entitlement to individual unemployability is granted effective July 14, 2021.
3. Basic eligibility to Dependents' Educational Assistance based on permanent and total disability status is established from July 14, 2021.
4. Evaluation of coronary artery disease with old myocardial infarction, which is currently 60 percent disabling, is continued.



### EVIDENCE

- VA Form 21-8940, Veteran's Application For Increased Compensation Based On Unemployability, received December 29, 2021
- VA Form 21-4192, Request For Employment Information in Connection With Claim For Disability Benefits, received December 29, 2021
- Section (§) 5103 Notice, dated January 3, 2022
- VA letter, dated January 4, 2022
- VA Form 21-4142 Authorization and Consent to Release Information to Department of Veteran's Affairs, received January 6, 2022
- Private Treatment Records, received January 12, 2022
- VA contract examinations, Quality Timeliness Customer Service (QTC), conducted February 22, 2022  
VAMC (Veterans Affairs Medical Center) treatment records
- VAMC (Veterans Affairs Medical Center) treatment records
- DD Form 214, Certificate of Release or Discharge from Active Duty, received July 14, 2021
- Service Treatment Records, received June 15, 2015
- Intent To File A Claim For Compensation and/or Pension, or Survivors Pension and/or DIC, received July 14, 2021
- VA Form 21-526EZ Application for Disability Compensation and Related Compensation Benefits, received November 4, 2021

### REASONS FOR DECISION

#### 1. Evaluation of post traumatic stress disorder currently evaluated as 50 percent disabling.

The evaluation of post traumatic stress disorder is increased to 70 percent disabling effective December 29, 2021, the date we received your claim. (38 CFR 4.1, 38 CFR 3.400)

We have assigned a 70 percent evaluation for your post traumatic stress disorder based on:

- Anxiety
- Chronic sleep impairment
- Depressed mood
- Difficulty in adapting to a worklike setting
- Difficulty in adapting to stressful circumstances
- Difficulty in adapting to work
- Difficulty in establishing and maintaining effective work and social relationships
- Disturbances of motivation and mood
- Forgetting directions
- Forgetting names
- Forgetting recent events





- Forgetting to complete tasks
- Impaired impulse control
- Impairment of short- and long-term memory
- Mild memory loss
- Occupational and social impairment with reduced reliability and productivity
- Retention of only highly learned material
- Suspiciousness
- Unprovoked irritability with periods of violence

The overall evidentiary record shows that the severity of your disability most closely approximates the criteria for a 70 percent disability evaluation. (38 CFR 4.7, 38 CFR 4.126)

A higher evaluation of 100 percent is not warranted for a mental disorder unless the evidence shows total occupational and social impairment, due to such symptoms as:

- Gross impairment in thought processes or communication
- Persistent delusions or hallucinations
- Grossly inappropriate behavior
- Persistent danger of hurting self or others
- Intermittent inability to perform activities of daily living (including maintenance of minimal personal hygiene)
- Disorientation to time or place
- Memory loss for names of close relatives, own occupation, or own name. (38 CFR 4.125, 38 CFR 4.126, 38 CFR 4.130)

There is no evidence of record that shows that you are unable to manage your financial affairs. (38 CFR 3.353)

## **2. Entitlement to individual unemployability.**

Entitlement to individual unemployability is granted effective July 14, 2021 the date you meet schedular for individual unemployability and the date we received your intent to file. (38 CFR 3.155, 38 CFR 3.400)

Entitlement to individual unemployability is granted because you are unable to secure or follow a substantially gainful occupation as a result of service-connected disabilities. (38 CFR 4.16)

The following criteria explain entitlement to individual unemployability. The claimant must be unable to secure or follow a substantially gainful occupation as a result of service-connected disabilities. 38 CFR 4.16 provides that individual unemployability may be granted if there is only one such disability, and this disability is ratable at 60 percent or more; or that, if there are two or more disabilities, there shall be at least one disability ratable at 40 percent or more, and sufficient additional disability to bring the combined rating to 70 percent or more. These percentage standards are set aside only when the evidence clearly and factually shows the Veteran has been rendered unemployable solely due to service-connected disabilities regardless of their individual and combined percentages. Such cases are submitted to the Director of Compensation Service for extra-schedular consideration. (38 CFR 3.321)



The medical evidence of record shows your heart condition and PTSD prevent you from working.

There is no evidence of record that shows that you are unable to manage your financial affairs. (38 CFR 3.353)

It is the defined and consistently applied policy of the Department of Veterans Affairs to administer the law under a broad interpretation, consistent, however, with the facts shown in every case. When, after careful consideration of all procurable and assembled data, a reasonable doubt arises regarding service origin, the degree of disability, or any other point, such doubt is to be resolved in favor of the claimant.

Based on the evidence and resolving any doubt in your favor, service connection is granted for IU. (38 CFR 3.102, 38 CFR 3.303, 38 CFR 4.3, 38 CFR 4.6)

### **3. Eligibility to Dependents' Educational Assistance under 38 U.S.C. Chapter 35 based on permanent and total disability status.**

Basic eligibility to Dependents' Educational Assistance based on permanent and total disability status is established from July 14, 2021, the date you became eligible for this benefit and the date we received your intent to file. (38 CFR 3.155, 38 CFR 3.400)

Eligibility for Dependents' Educational Assistance is derived from a Veteran who was discharged under other than dishonorable conditions; and has permanent and total service-connected disability(ies); or permanent and total disability(ies) existed at the time of death; or the Veteran died as a result of service-connected disability(ies). Also, eligibility exists for a service member who died in service. Finally, eligibility can be derived from a service member who, as a member of the armed forces on active duty, has been listed for more than 90 days as missing in action; captured in line of duty by a hostile force; or forcibly detained or interned in line of duty by a foreign government or power. (38 USC Chapter 35, 38 CFR 3.807, 38 CFR 21.3021)

Basic eligibility for Dependents' Educational Assistance is granted as the evidence shows you currently have a totally disabling service-connected disability or disabilities, permanent in nature. (38 USC Chapter 35, 38 CFR 3.807, 38 CFR 21.3021)

### **4. Evaluation of coronary artery disease with old myocardial infarction currently evaluated as 60 percent disabling.**

The evaluation of coronary artery disease with old myocardial infarction is continued as 60 percent disabling.

We have assigned a 60 percent evaluation for your coronary artery disease with old myocardial infarction based on:

- Workload of 3.1-5.0 METs results in heart failure symptoms



November 15, 2022



## We made a decision on your VA benefits.

This letter will guide you through the information you should know and steps you may take now that VA has made a decision about your benefits.

### Your Benefit Information:

- Entitlement to individual unemployability is granted effective April 5, 2022.
- Basic eligibility to Dependents' Educational Assistance based on permanent and total disability status is established from April 5 2022.

See **Rating Decision** to find out why we made this decision.

Your monthly entitlement amount is shown below:

Monthly Entitlement Amount	Payment Start Date	Reason
\$3,636.17	May 1, 2022	Individual Unemployability Adjustment, Compensation Rating Adjustment

We are currently paying you as a Veteran with one dependent. *Let us know right away if there is any change in the status of your dependents.*

If payments are due, you should receive your first payment, if not already in receipt of payments, within 7-10 days of this notice.

#### We have included with this letter:

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2. Additional Benefits
3. Where to Send Your Correspondence
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#### Your representative:

You appointed AMERICAN LEGION as your accredited representative. They have also received a copy of this letter.

They can help you with any questions you have about your claim.

If you or someone you know is in crisis, call the *Veterans Crisis Line* at 1-800-273-8255 and press 1.





**Department of Veterans Affairs  
A.J. Celebrezze Federal Building  
1240 East 9th Street  
Cleveland, OH 44199**

January 24, 2022

In Reply Refer To

This letter is a summary of benefits you currently receive from the Department of Veterans Affairs (VA). We are providing this letter to survivors of disabled Veterans to use in applying for benefits such as state or local property or vehicle tax relief, civil service preference, to obtain housing entitlements, free or reduced state park annual memberships, or any other program or entitlement in which verification of VA benefits is required. Please safeguard this important document. This letter is considered an official record of your VA entitlement.

Our records contain the following information:

**Personal Claim Information**

The claim number shown on our records is  
You are a survivor of the Veteran.

**Military Information**

The character(s) of discharge and service date(s) of the veteran include:  
Honorable, Army, 07/18/1968-07/16/1971  
(There may be additional periods of service not listed above)

**VA Benefits Information**

You are in receipt of: Dependency and Indemnity Compensation

Your current monthly award amount is: \$1,742.94

The Veteran died on active duty: No

The Veteran died as a result of a service-connected disability: Yes

Was the Veteran considered permanently and totally disabled at the time of death: Yes

You should contact your state or local office of veterans' affairs for information on any tax, license, or fee-related benefits for which you may be eligible. State offices of veterans' affairs are available at <http://www.va.gov/statedva.htm>.



**Department of Veterans Affairs**

PO BOX 5365  
JANESVILLE WI 53547-5365

Example of DIC letter that does NOT  
verify eligibility for property tax exemption. If the veteran was 100% P&T before passing, there will be an additional line stating that the veteran was considered P&T before death. This veteran was, VA erred in omitting it. The spouse called and received a corrected letter on the next page.

November 8, 2021

This letter is a summary of benefits you currently receive from the Department of Veterans Affairs (VA). We are providing this letter to survivors of Veterans to use in applying for benefits such as housing entitlements, free or reduced state park annual memberships, state or local property or vehicle tax relief, civil service preference, or any other program or entitlement in which verification of VA benefits is required. Please safeguard this important document. This letter replaces VA Form 20-5455, and is considered an official record of your VA entitlement.

**--America is Grateful to You for Your Sacrifice--**

Our records contain the following information:

**Personal Claim Information:**

The claim number shown on our records is:  
You are a survivor of the Veteran

**Military Information:**

The character(s) of discharge and service date(s) of the Veteran include:  
Army, Honorable, 18-Jul-1968 - 16-Jul-1971  
(There may be additional periods of service not listed above)

**VA Benefits Information:**

You are in receipt of: DEPENDENCY AND INDEMNITY COMPENSATION  
The effective date of the last change to your current award was: 01-JAN-2021  
Your current monthly award amount is: \$1,645.83  
The Veteran died as a result of a service-connected disability: Yes .

You should contact your state or local office of Veterans' affairs for information on any tax, license, or fee-related benefits for which you may be eligible. State offices of Veterans' affairs are available at <http://www.va.gov/statedva.htm>.

**Need Additional Information or Verification?**

If you have any questions about this letter or need additional verification of VA benefits, please call us at 1-800-827-1000. If you use a Telecommunications Device for the Deaf (TDD), the federal relay number is 711. Send electronic inquiries through the Internet at <https://iris.custhelp.va.gov/>.

Sincerely yours,

Regional Office Director

Enclosure(s): What Things Affect Your Rights To Payment