



Governor's Advisory Council for Exceptional Citizens (GACEC)
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MEMORANDUM

DATE: April 26, 2016

TO: The Honorable Members of the Delaware General Assembly

FROM: Robert D. Overmiller, Chairperson
GACEC

RE: **Senate Bill No. 186 (Disabled Veteran School Tax Refund Fund)**

The Governor's Advisory Council for Exceptional Citizens (GACEC) has reviewed **Senate Bill No. 186**, which will create a Disabled Veteran School Tax Refund Fund. This fund will provide property tax refunds of up to \$500 to individuals who are disabled veterans of the United States Armed Forces with a disability rating as determined by the United States Department of Veterans Affairs. Council **endorses** the proposed legislation since it will benefit veterans with disabilities and prioritize a higher refund based on the extent of a service-connected disability. Council would however, like to share the following observations.

First, the reference to "disabled veteran" does not reflect "people-first" language and is disfavored under Title 29 Del.C. §608.

Second, if claims exceed the amount in the "Disabled Veteran School Tax Refund Fund", the "shortfall" may be derived from "the general contingency appropriation in the Department of Education" (lines 8-9). Since the fiscal note only contemplates an annual cost of \$1.6 million of the \$3.0 million fund, there may not be a shortfall in the near future. However, this feature of the legislation may be of some concern to public educational interests.

Third, New Castle County (NCC) already reduces the assessed value of homes owned by qualifying persons with disabilities. Consistent with the NCC summary, qualifying individuals are eligible for the following subsidy:

School Tax - They receive a reduction in their assessed value of up to \$32,000. For loss of limbs or loss of limbs requiring home to be equipped with special fixtures, an additional

\$42,000 may be added to a maximum of \$74,000. ... If the disability is Armed Forces Related, the taxpayer may receive an additional reduction of \$5,000 off the assessed value of the residence for both County and School Taxes.

Thus, a veteran with a service-connected disability in New Castle County would apparently benefit from both a reduced “countable” assessment and the school tax refund authorized by this legislation.

Thank you for your time and consideration of our observations and endorsement. Please feel free to contact me or Wendy Strauss should you have any questions.