



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites
------	------------------	----------------	--------------	-----------------	------------------	--------------

ACA-5 Property taxation: veterans' exemption. (2025-2026)

SHARE THIS:  

CALIFORNIA LEGISLATURE— 2025–2026 REGULAR SESSION

**ASSEMBLY
AMENDMENT**

CONSTITUTIONAL

NO. 5

Introduced by Assembly Member Schiavo

February 03, 2025

A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 3 of Article XIII thereof, relating to property taxation.

LEGISLATIVE COUNSEL'S DIGEST

ACA 5, as introduced, Schiavo. Property taxation: veterans' exemption.

The California Constitution declares that all property is taxable and establishes or authorizes various exemptions from tax for real property, including a homeowners' exemption in the amount of \$7,000 of the full value of a dwelling unless the dwelling receives another real property exemption. If the Legislature increases the homeowners' exemption, the California Constitution requires that the Legislature provide a benefit increase to qualified renters comparable to the average increase in benefits to homeowners.

The California Constitution and existing property tax law establish a veterans' exemption in the amount of \$4,000 for a veteran who meets certain military service requirements and generally exempts from property taxation the same value of property of a deceased veteran's unmarried spouse and parents. The California Constitution authorizes, and existing property tax law establishes, a disabled veterans' exemption in the amount of \$100,000 or \$150,000 for the principal place of residence of a veteran or a veteran's spouse, including an unmarried surviving spouse, if the veteran, because of an injury incurred in military service, is blind in both eyes, has lost the use of 2 or more limbs, or is totally disabled, as those terms are defined, or if the veteran has, as a result of a service-connected injury or disease, died while on active duty in military service. Existing law prohibits receiving the veterans' exemption on property owned by an unmarried person who owns more than \$5,000 of property or a married person who owns more than \$10,000 of property. Existing law prohibits receiving the deceased veterans' exemption on property owned by a deceased veteran's unmarried spouse who owns more than \$10,000 of property, a deceased veteran's unmarried parent who owns more than \$5,000 of property, or a deceased veteran's married parent who owns more than \$10,000 of property.

This measure would allow a dwelling that receives the veterans' exemption or the disabled veterans' exemption to also receive the homeowners' exemption. The measure would authorize the Legislature to exempt property eligible for the veterans' exemption

in an amount up to the full value of the property. If the Legislature increases the homeowners' exemption, the measure would require that the Legislature provide the same increase in the veterans' exemption, except as limited by the full value of the property. The bill would remove the above-described prohibitions on a property receiving the veterans' or deceased veterans' exemption based on the amount of property that a veteran or veteran's parent or spouse owns.

Vote: 2/3 Appropriation: no Fiscal Committee: yes Local Program: no

Resolved by the Assembly, the Senate concurring, That the Legislature of the State of California at its 2025–26 Regular Session commencing on the second day of December 2024, two-thirds of the membership of each house concurring, hereby proposes to the people of the State of California, that the Constitution of the State be amended as follows:

That Section 3 of Article XIII thereof is amended to read:

SEC. 3. The following are exempt from property taxation:

- (a) Property owned by the State.
- (b) Property owned by a local government, except as otherwise provided in Section 11(a).
- (c) Bonds issued by the State or a local government in the State.
- (d) Property used for libraries and museums that are free and open to the public and property used exclusively for public schools, community colleges, state colleges, and state universities.
- (e) Buildings, land, equipment, and securities used exclusively for educational purposes by a nonprofit institution of higher education.
- (f) Buildings, land on which they are situated, and equipment used exclusively for religious worship.
- (g) Property used or held exclusively for the permanent deposit of human dead or for the care and maintenance of the property or the dead, except when used or held for profit. This property is also exempt from special assessment.
- (h) Growing crops.
- (i) Fruit and nut trees until ~~4~~ *four* years after the season in which they were planted in orchard form and grape vines until ~~3~~ *three* years after the season in which they were planted in vineyard form.
- (j) Immature forest trees planted on lands not previously bearing merchantable timber or planted or of natural growth on lands from which the merchantable original growth timber stand to the extent of 70 percent of all trees over 16 inches in diameter has been removed. Forest trees or timber shall be considered mature at such time after 40 years from the time of planting or removal of the original timber when so declared by a majority vote of a board consisting of a representative from the State Board of Forestry, a representative from the State Board of Equalization, and the assessor of the county in which the trees are located.

The Legislature may supersede the foregoing provisions with an alternative system or systems of taxing or exempting forest trees or timber, including a taxation system not based on property valuation. Any alternative system or systems shall provide for exemption of unharvested immature trees, shall encourage the continued use of timberlands for the production of trees for timber products, and shall provide for restricting the use of timberland to the production of timber products and compatible uses with provisions for taxation of timberland based on the restrictions. Nothing in this paragraph shall be construed to exclude timberland from the provisions of Section 8 of this article.

- (k) \$7,000 of the full value of a dwelling, as defined by the Legislature, when occupied by an owner as ~~his~~ *the owner's* principal residence, unless the dwelling is receiving another real property ~~exemption~~ *exemption other than the exemptions under subdivisions (o), (p), and (q) or the exception authorized under subdivision (a) of Section 4.* The Legislature may increase ~~this the homeowners' property tax~~ exemption and may deny it if the owner received state or local aid to pay taxes either in whole or in part, and either directly or indirectly, on the dwelling.

No increase in ~~this the homeowners' property tax~~ exemption above the amount of \$7,000 shall be effective for any fiscal year unless the Legislature increases the rate of state taxes in an amount sufficient to provide the subventions required by Section 25.

If the Legislature increases the homeowners' property tax exemption, it shall *provide the same increase, except as may be limited by the full value, in the amounts of the exemptions under subdivisions (o), (p), and (q), and shall* provide increases in benefits to qualified renters, as defined by law, comparable to the average increase in benefits to homeowners, as calculated by the Legislature.

- (l) Vessels of more than 50 tons burden in this State and engaged in the transportation of freight or passengers.

(m) Household furnishings and personal effects not held or used in connection with a trade, profession, or business.

(n) Any debt secured by land.

(o) ~~Property~~ *Property*, in the amount of \$1,000 *or in a greater amount that is set forth in statute and does not exceed the full value*, of a claimant who—

(1) is serving in or has served in and has been discharged under honorable conditions from service in the United States Army, Navy, Air Force, Marine Corps, Coast Guard, or Revenue Marine (Revenue Cutter) Service; and—

(2) served either

~~(i)~~

(A) in time of war, or

~~(ii)~~

(B) in time of peace in a campaign or expedition for which a medal has been issued by Congress, or

~~(iii)~~

(C) in time of peace and because of a service-connected disability was released from active duty; and—

(3) resides in the State on the current lien date.

~~An unmarried person who owns property valued at \$5,000 or more, or a married person, who, together with the spouse, owns property valued at \$10,000 or more, is ineligible for this exemption.~~

If the claimant is married and does not own property eligible for the full amount of the exemption, property of the spouse shall be eligible for the unused balance of the exemption.

(p) ~~Property~~ *Property*, in the amount of \$1,000 *or in a greater amount that is set forth in statute and does not exceed the full value*, of a claimant who—

(1) is the unmarried spouse of a deceased veteran who met the service requirement stated in paragraphs (1) and (2) of subsection 3(o), and

~~(2) does not own property in excess of \$10,000, and~~

~~(3)~~

(2) is a resident of the State on the current lien date.

(q) ~~Property~~ *Property*, in the amount of \$1,000 *or in a greater amount that is set forth in statute and does not exceed the full value*, of a claimant who—

(1) is the parent of a deceased veteran who met the service requirement stated in paragraphs (1) and (2) of subsection 3(o), and

(2) receives a pension because of the veteran's service, and

(3) is a resident of the State on the current lien date.

Either parent of a deceased veteran may claim this exemption.

~~An unmarried person who owns property valued at \$5,000 or more, or a married person, who, together with the spouse, owns property valued at \$10,000 or more, is ineligible for this exemption.~~

(r) No individual residing in the State on the effective date of this amendment who would have been eligible for the exemption provided by the previous ~~section~~ *Section* 1¹/₄ of this article had it not been repealed shall lose eligibility for the exemption as a result of this amendment.