

Arizona New 2026 Property Tax Exemptions for VA 100% Disabled Veterans

Eligibility Requirements (Effective Jan 1, 2026)

- **Disability Rating:** Must be a U.S. Department of Veterans Affairs (VA) rated **100% service-connected disability**.
- **Residency:** Must be a legal resident of Arizona.
- **Property Type:** The exemption applies only to the veteran's **primary residence**.
- **Discharge Status:** Must have an honorable discharge.
- **Income Limits:** While the 2026 changes removed previous property value caps, income-based requirements may still apply. However, starting in 2026, **all veterans' pensions are excluded** from the income calculation.
- **Surviving Spouse:** The exemption can continue for an unremarried surviving spouse if the veteran was already receiving it, or was eligible at the time of death, provided it remains their primary residence.

Key Changes for 2026

- **Full Exemption:** 100% service-connected disabled veterans are exempt from the full amount of property tax on their home.
- **No Value Cap:** The previous restriction requiring the home to be valued below a certain amount (previously \$31,347 in assessed value) **has been removed** for 100% service-connected veterans.
- **Pension Exclusion:** Veterans' pensions are no longer counted toward income limits for qualifying for tax relief.

How to Apply

- **File Annually:** An "Affidavit of Individual Tax Exemption" (Form 82514) must be filed with the County Assessor's Office annually between **January 2 and March 1**.
- **Required Documentation:**
 - VA Benefit Summary Letter (proving 100% service-connected rating).
 - Proof of residency (e.g., Driver's License).
 - DD214 (Military Discharge Papers).
- **First-time Filers:** First-time filers are usually required to apply in person at their local County Assessor's office.

Note: If you were already receiving a disabled veteran exemption prior to 2026, you may not need to file a new application, but it is recommended to confirm with your local county assessor, as the new law applies to 2026 and beyond.