

Veterans Receiving Property Tax Exemption: County Perspective

Summary

- In 2010-11, 5,878 veterans received property tax exemptions. In 2024-25, 26,537 veterans received the exemption, a 351 percent increase.
- If eligibility criteria for the veteran property tax exemption was lowered to a disability rating of 50 percent or greater, the number of eligible veterans could double.
- Counties lose an estimated \$17.06 million in residential property tax revenues annually from the exemption. If the exemption criteria was change to a 50 percent disability rating, counties could potentially lose \$50.90 million in residential property tax revenue.
- An expansion of the tax exemption could mean the average county could lose between 1 to 3.5 percent of its property tax revenues.

Figure 1: Number of Veterans Receiving Property Tax Exemption, FY2010-11 to FY2024-25

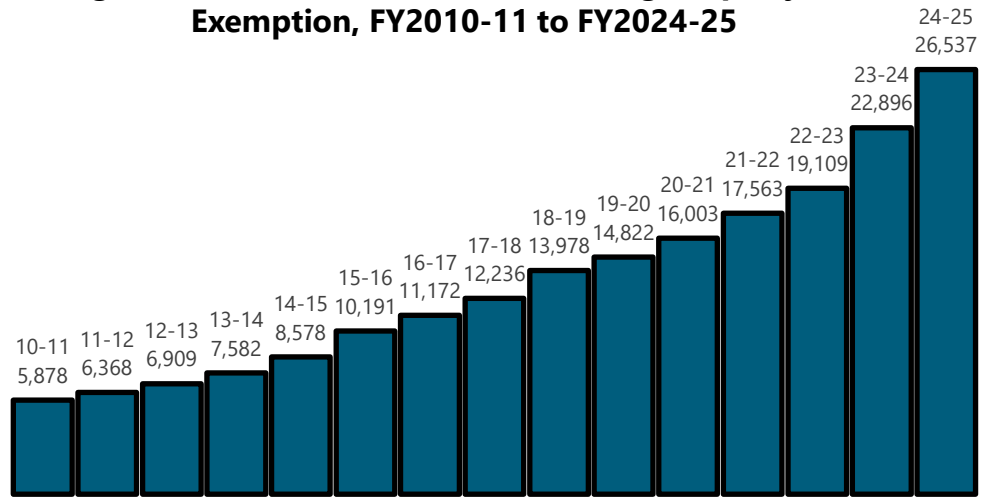


Figure 2: Estimated County Property Tax Revenue Loss from Veteran's Property Tax Exemption, 2024

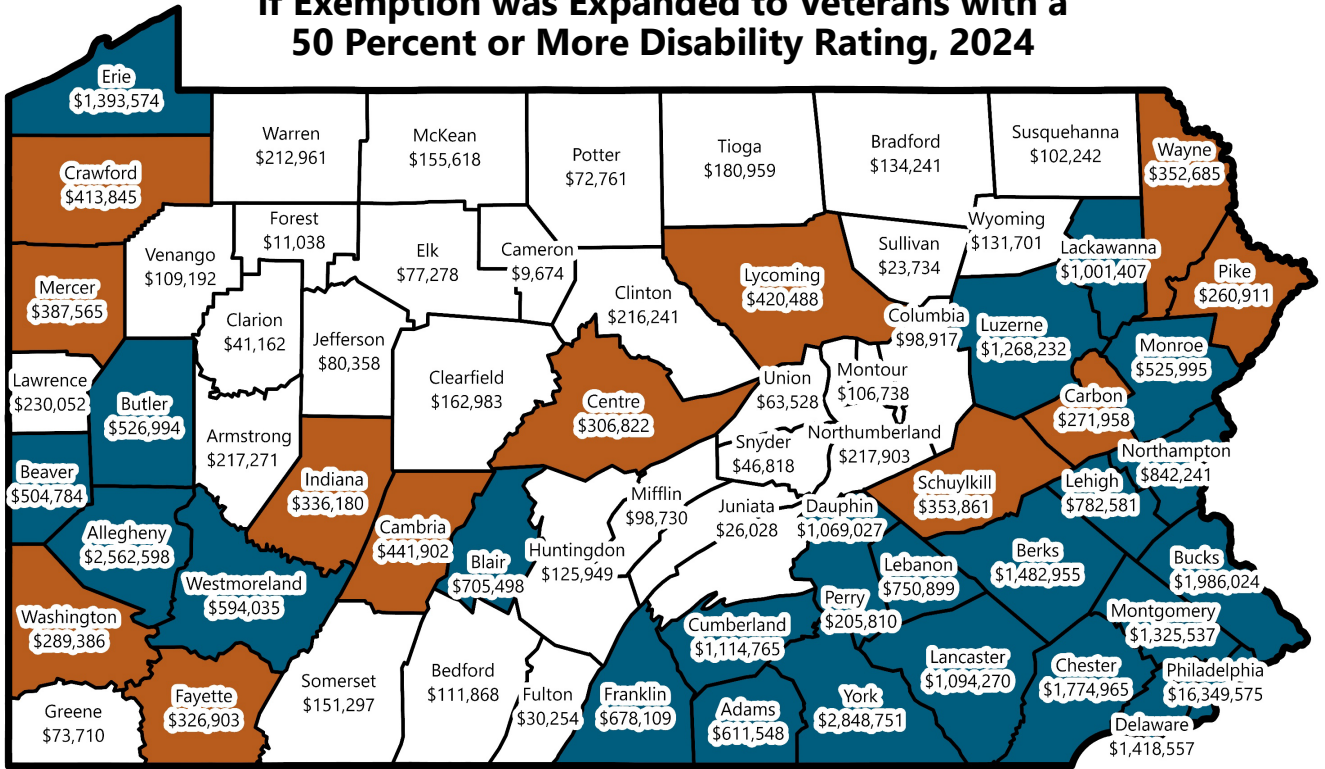
Estimated Current County Property Tax Revenue Loss from Veteran's Exemption
\$17.06 Million



Potential Loss in County Property Tax Revenue if Veteran's Exemption was Expanded,
\$50.90 Million

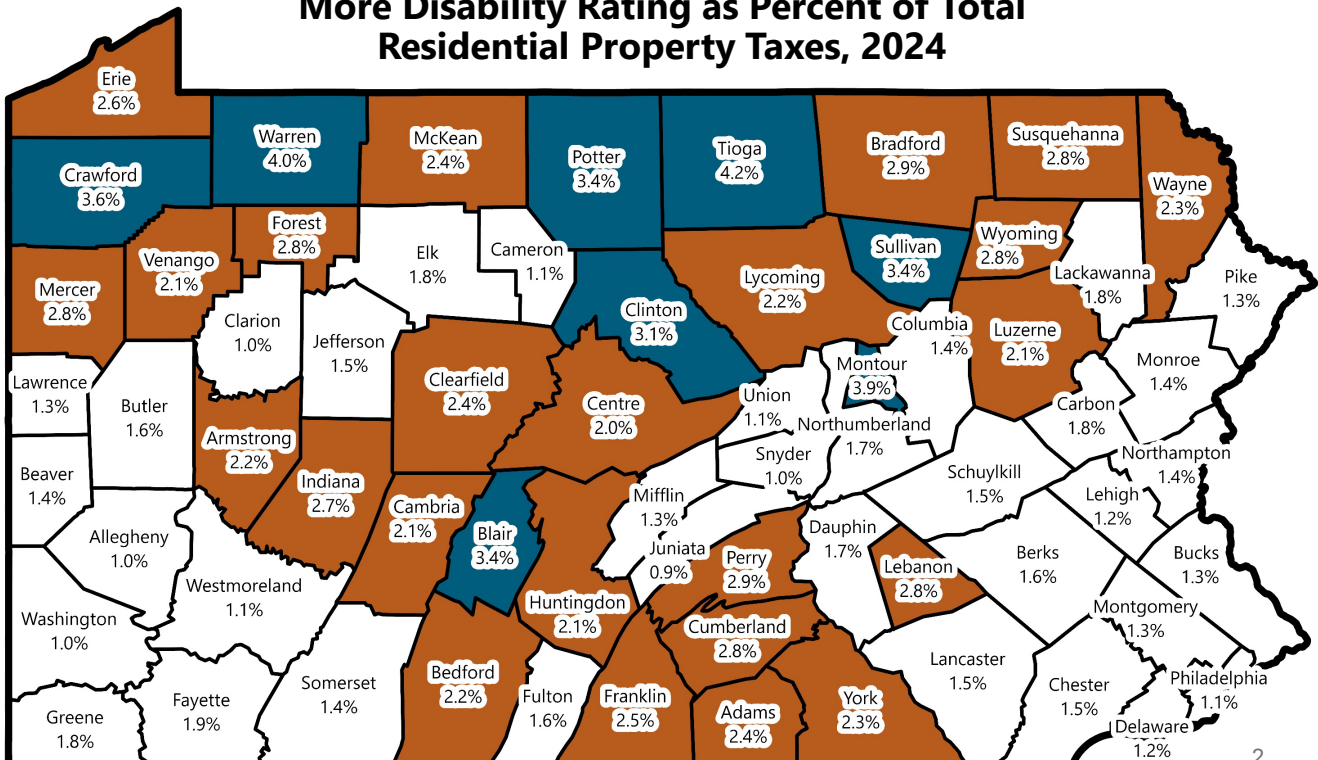


Figure 3: Potential County Residential Property Tax Revenue Loss if Exemption was Expanded to Veterans with a 50 Percent or More Disability Rating, 2024



<\$250,000 In Exempt Property Tax Revenue
 \$250,000 - \$499,999 In Exempt Property Tax Revenue
 \$500,000+ In Exempt Property Tax Revenue

Figure 4: Potential County Residential Property Tax Revenue Loss if Exemption was Expanded to Veterans with 50 Percent or More Disability Rating as Percent of Total Residential Property Taxes, 2024



<2.0% Real Estate Tax Revenue
 2.0% to 2.9% Real Estate Tax Revenue
 3.0%+ Real Estate Tax Revenue

Appendix A

Data Sources and Methodology

Figure 1: Number of Veterans Receiving Property Tax Exemption, FY2010-11 to FY2024-25

1. Data source: Pennsylvania Department of Veterans and Military Affairs.

Figure 2: Estimated County Property Tax Revenue Loss from Veteran's Property Tax Exemption, 2024

1. Downloaded county data from the Census Bureau's 2024, 5-year Average, American Community Survey, Table B21100: Service-Connected Disability-Rating Status and for Civilian Veterans.
2. The number of veterans with a disability rating of 50 percent or higher was calculated for each county.
3. Using the 2024, 1-year Average, American Community Survey, Public Use Microdata Sample (PUMS) the statewide number of veterans who had a disability rating of 50 percent or higher was identified. These veterans were divided into two subgroups: homeowners, and non-homeowners. The percent of homeowners was calculated.
4. The rate in Step 3 (83.48%) was applied to the number of veterans in Step 2. This calculation produced an estimated Number of Homeowning Veterans with a disability rating of 50 percent or higher.
5. This calculation assumes that there are not multiple veterans with a disability rating of 50 percent or higher living in the same household.

Data Limitations

Use of Averages: Property taxes paid by veterans are based on countywide averages. These averages may underestimate the taxes paid by veterans with higher home values and overstate the taxes paid by veterans with lower home values.

Mix Data Years: The assessed residential value, county tax rate, and number of veterans with a disability rating are all from 2024. The parcel data is from 2025. The mix years may not accurately capture tax payments. This is especially true in counties with an increase in housing development.

Figure 3: Potential County Residential Property Tax Revenue Loss if Exemption was Expanded to Veterans with a 50 Percent or More Disability Rating, 2024

1. Two county level data points were obtained from the Pennsylvania State Tax Equalization Board.
 1. 2024 Assessed Residential Values (most current available).
 2. Number of residential property parcels, 2025. The 2024 parcel data was not readily available.
2. 2024 county property tax millage rates were obtained from the Pennsylvania Department of Community and Economic Development. The rate was then divided by 1,000 to produce the applied millage rate.
3. The county applied millage rate was multiplied by residential values assessed to produce the total residential real estate taxes generated in each county.
4. The total residential real estate tax generated was then divided by the number of residential parcels to produce the Average Residential Real Estate Tax Payment.
5. The Average Residential Real Estate Tax Payment was then multiplied by the number of veterans with a disability rating of 50 percent or higher. This product was labeled "Potential County Property Tax Revenue Loss if Disability Rating was Expanded."
6. This calculation assumes that the property of veterans with disability rating of 50 percent or higher tax exemption is equal to their county's average assessed value.

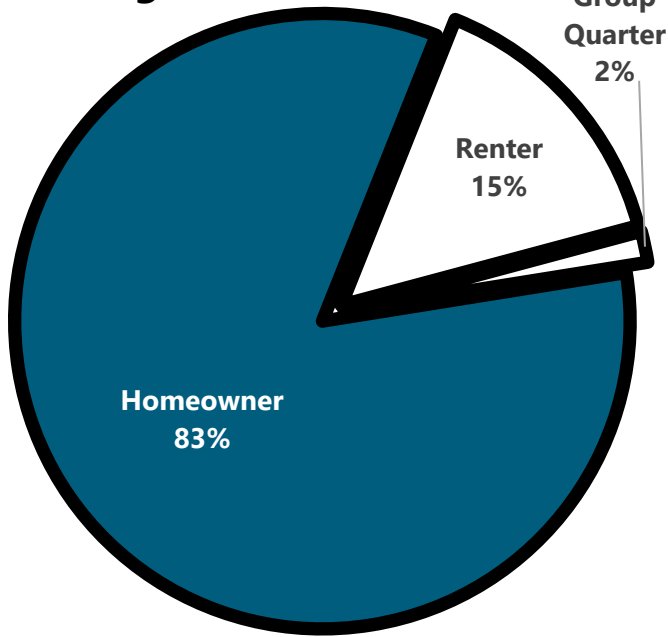
Figure 4: Potential County Residential Property Tax Revenue Loss if Exemption was Expanded to Veterans with 50 Percent or More Disability Rating as Percent of Total Residential Property Taxes, 2024

1. Potential County Property Tax Revenue Loss if Disability Rating was Expanded (Step 5 in Figure 3) as divided by total residential real estate taxes generated in each county (Step 3 in Figure 3).

Figure 5: Profile of Pennsylvania Veterans with Disability Rating of 50 Percent or Higher, 2024

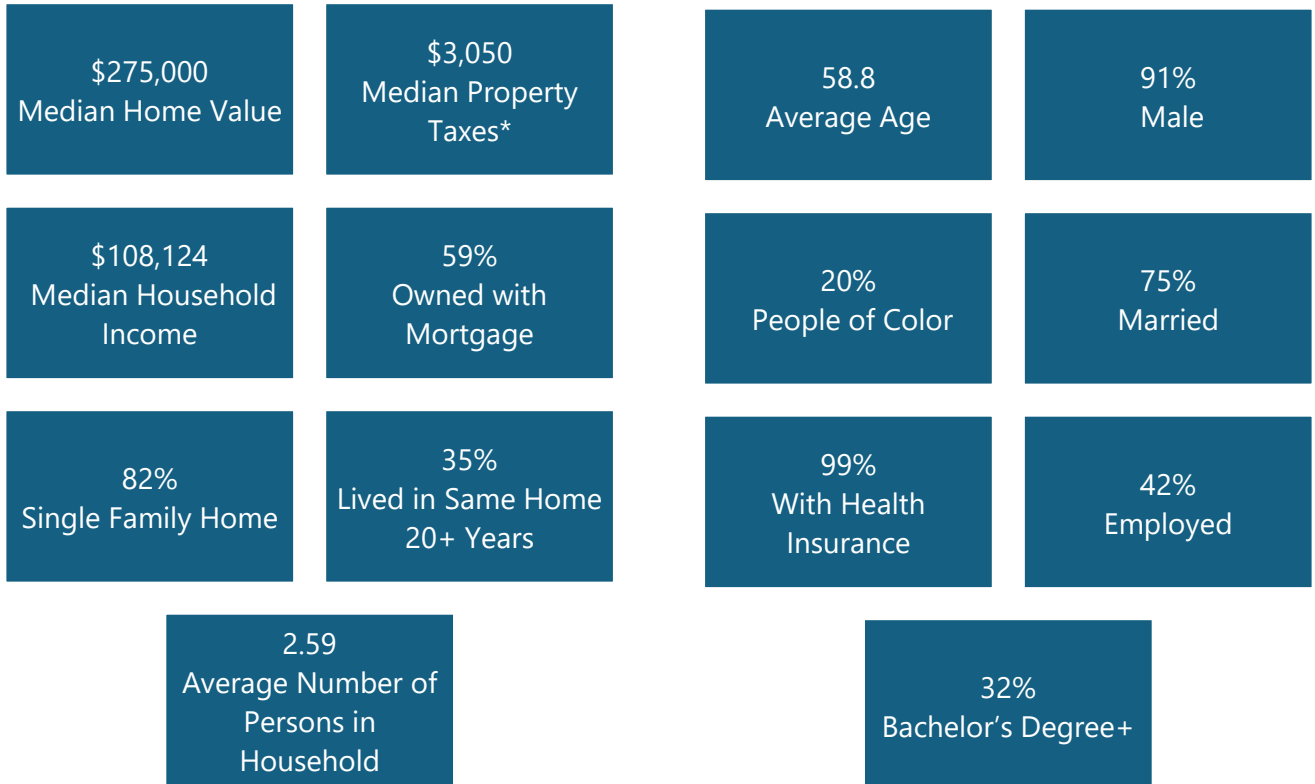
1. *Data source: 2024 1-year Average, American Community Survey, Public Use Microdata Sample, U.S. Census Bureau.*

Housing Status



**Appendix B
Figure 5:
Profile of Pennsylvania
Veterans with Disability
Rating of 50 Percent or
Higher, 2024**

Demographic and Housing Characteristics of Pennsylvania Veteran Homeowners With Disability Rating of 50% or Higher



*Includes school district, municipal and county property taxes.