



OFFICE OF THE GOVERNOR

NEWS

ROD R. BLAGOJEVICH - GOVERNOR

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Governor Blagojevich reminds veterans, employers hiring veterans to file for new tax exemptions

New 2007 legislation encourages businesses to hire Veterans and provides returning and disabled Veterans with property tax relief

SPRINGFIELD – As a number of tax deadlines begin rapidly approaching, Governor Rod R. Blagojevich today reminded the state’s military heroes and employers who have hired them to file for new tax exemptions. Two new laws went into effect in 2007; one made more Illinois veterans and disabled persons eligible for property tax relief and the other created the Veteran’s Tax Credit - a state income tax credit available to employers for every qualified veteran they hire.

“We are doing everything we can in Illinois to help make sure that when our service members come home, they have access to quality jobs and receive the benefits they’ve rightfully earned. These tax credits can certainly help our veterans transition more easily into civilian life,” said Gov. Blagojevich.

On behalf of the Governor, Illinois Department of Veterans’ Affairs Director Tammy Duckworth and Department of Revenue Director Brian Hamer today joined veterans and employers in Springfield to encourage eligible taxpayers to take advantage of these credits.

“I want to urge all qualified veterans and the businesses that have hired our brave men and women, to file for these new tax exemptions before the deadline. Our veterans have served this country and have rightfully earned these benefits, while the Veteran’s Tax Credit is a way for the state to say ‘thank you’ to those employers who have chosen to hire our veterans,” said IDVA Director Tammy Duckworth.

Beginning in tax year 2007, Illinois employers can earn tax credits for hiring veterans who have recently been on active duty overseas. Employers can earn the new Veteran’s Tax Credit of 5 percent of total wages paid, up to a maximum of \$600 annually, for wages paid to each veteran hired after January 1, 2007. The veteran must work at least 185 days during the tax year for the employer to qualify. The credit is available for veterans who were members of the Armed

Forces, the Armed Force reserves, or the Illinois National Guard on active duty in Operation Desert Storm, Operation Enduring Freedom, or Operation Iraqi Freedom. The Veteran's Tax Credit can be claimed by employers on 2007 tax returns filed in 2008.

The 2007 homestead legislation created two new exemptions for veterans that take effect for the 2007 tax year:

- The **Returning Veterans' Homestead Exemption** provides qualifying Veterans a one-time \$5,000 reduction to their home's equalized assessed value (EAV). Qualifying Veterans who return from active duty in an armed conflict involving the U.S. armed forces can file an application upon their return home to receive this exemption.
- The new **Disabled Veterans' Standard Homestead Exemption** provides a reduction in a property's EAV to a qualifying property owned by a Veteran with a service-connected disability certified by the U. S. Department of Veterans' Affairs. A \$2,500 homestead exemption is available to a Veteran with a service-connected disability of at least 50% but less than 75% or a \$5,000 homestead exemption is available to a veteran with a service connected disability of at least 75%. A disabled Veteran must file an annual application by the county's due date to continue to receive this exemption.

In addition to these two new exemptions, the state also offers the **Disabled Veterans' Homestead Exemption** that provides up to a \$70,000 reduction in assessed value for federally-approved specially adapted housing, which will continue to be available through the 51 statewide Veterans' Service Offices. A disabled person's or disabled veteran's property can receive only one of the following exemptions each year: Disabled Veterans' Exemption, Disabled Persons' Homestead Exemption or the Disabled Veterans' Standard Homestead Exemption.

"Because property taxes are filed at the county level, deadlines for the homestead exemptions vary throughout the state. Veterans who qualify for these exemptions should contact their local assessor's office to inquire about the deadline and forms. Employers who have hired veterans can file for the Veteran Jobs Credit on their Income Tax and earn a credit of up to \$600 for each new veteran hired annually," said Brian Hamer, Director of Illinois Department of Revenue.

Several counties' deadlines for the new homestead exemptions are listed below:

Adams - December 31, 2007
DuPage - January 18, 2008
Jackson - March 1, 2008
Kane - February 29, 2008
Madison - February 28, 2008
Sangamon - January 31, 2008
St. Clair - April 30, 2008
Tazewell - March 1, 2008
Vermillion - December 31, 2007
Will - March 1, 2008
Williamson - March 1, 2008
Winnebago - March 31, 2008

Several other counties like Champaign, Lake, McHenry, and Peoria will not officially establish a due date to file for the new homestead exemptions. Cook County has not yet determined their due date but the date will be some time in 2008.

“I served with the 25th Infantry Division in Vietnam and was wounded in a mortar attack. After serving our country honorably and bravely, our veterans deserve to be given the best benefits that we can give them. I am very pleased to join Director Duckworth and Director Hamer today, to help promote the new homestead exemptions for veterans. This new tax exemption will save me money that I can use to continue to provide for myself and will be a great benefit for us that are on fixed incomes,” said Thomas D. O’Hara, Vietnam veteran from Springfield.

For more information about the Veteran’s Tax Credit or the new property tax exemptions for Veterans, go to the Department of Revenue’s Web site, www.tax.illinois.gov, and visit the Taxpayer Answer Center or call the Department of Revenue’s toll-free assistance line at 1-800-732-8866.