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DEPARTMENT OF TREASURY
LANSING

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DATE: October 4, 2022

TO: Assessors and Interested Persons

FROM: Michigan State Tax Commission

SUBJECT: *Lockhart v Ontonagon Twp* Court of Appeals decision regarding MCL 211.7b Disabled Veterans Exemption Eligibility of Unremarried Surviving Spouse

On May 19, 2022, the Michigan Court of Appeals issued a published decision in *Lockhart v Ontonagon Twp*, Docket No. 356883. This decision relates to eligibility of the Disabled Veterans Exemption in MCL 211.7b for an unremarried surviving spouse. In that case, the unremarried surviving spouse was deeded property in March 2010 but the disabled veteran was never on the deed. The disabled veteran passed away in December 2010. The unremarried surviving spouse claimed the Disabled Veterans Exemption in 2020 and was denied. The Michigan Tax Tribunal upheld the denial.

The Court of Appeals determined that under the language in MCL 211.7b, if the disabled veteran had not used and owned the property as a homestead prior to their death, the unremarried surviving spouse could not qualify to receive the Disabled Veterans Exemption on that property.

Assessors are advised to ensure that the Boards of Review are aware of this decision when reviewing claims for the Disabled Veterans Exemption.

The State Tax Commission's guidance on MCL 211.7b will be updated in 2023.