

Legislative Analysis



EXEMPT VETERAN'S DISABILITY COMPENSATION

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House Bill 4724

Sponsor: Rep. Ray A. Franz

Committee: Judiciary

Complete to 6-12-13

A SUMMARY OF HOUSE BILL 4724 AS INTRODUCED 5-14-13

House Bill 4724 would amend the divorce act to specify that a veteran's disability compensation for any service-connected disability under a program or law administered by the US Department of Veterans' Affairs (DVA) or Veteran' Administration is exempt from the marital estate when determining property disposition and/or support obligations.

(According to the DVA, disability compensation is a monthly tax-free benefit paid to veterans who are at least 10 percent disabled because of injuries or diseases that were incurred in or aggravated during active duty, active duty for training, or inactive duty training. A disability can apply to physical conditions as well as mental condition such as post-traumatic stress disorder, or PTSD. The amount granted is based on several factors, including the degree of the disability and whether the veteran has dependents. Compensation may be reduced if the veteran also receives military retirement pay, disability severance pay, or separation incentive payments.)

MCL 552.18

FISCAL IMPACT:

A fiscal analysis in is process.

Legislative Analyst: Susan Stutzky

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