

1 SEC. 6. As of the effective date of this act all balances remaining  
 2 in the special tax fund, liquor control fund, use tax fund not other-  
 3 wise provided by this act shall be transferred to the state general  
 4 fund.

Approved April 22, 1947.

### CHAPTER 231

Referred to in chapter 232.

#### MILITARY SERVICE TAX CREDIT FUND

H. F. 76

AN ACT to establish a military service tax credit fund; providing for the reimburse-  
 ment to local taxing districts of taxes levied upon property subject to military  
 service tax credit, such credit not to be in excess of twenty-five (25) mills on the  
 total of taxes levied; providing for the apportionment of military service tax credit  
 to all taxing districts in the state and making an appropriation for the payment  
 of military service tax credits as provided by this act.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. There is hereby appropriated from any moneys in  
 2 the state treasury not otherwise appropriated, the sum of eight  
 3 hundred thousand dollars (\$800,000) to establish a fund to be known  
 4 as "the military service tax credit fund", in which fund shall also  
 5 be included the amounts credited to the military service tax fund  
 6 provided by section 3 of Senate File 41,\* Acts of the Fifty-second  
 7 General Assembly.

1 SEC. 2. The military service tax credit fund shall be apportioned  
 2 each year as hereinafter provided so as to replace all or a portion  
 3 of the tax on property eligible for military service tax exemption  
 4 in the state, were such property subject to taxation the amount of  
 5 such credit to be equal to not more than twenty-five (25) mills upon  
 6 the valuation of property subject to the tax which, but for military  
 7 service tax exemption, would be payable upon such property in the  
 8 taxing district to which such property is located. Sums distributable  
 9 from the military service tax credit fund shall be allocated every six  
 10 (6) months to the several counties of the state beginning on March  
 11 25, 1948, and every six (6) months thereafter; the state tax com-  
 12 mission shall certify to the state comptroller the total amount of  
 13 money which has been apportioned, or is apportionable to each  
 14 county, and the state comptroller is hereby authorized to issue his  
 15 warrant to the treasurer of each county payable from the military  
 16 service tax credit fund in the amount certified.

1 SEC. 3. On or before August 1 of each year the county auditor  
 2 shall certify to the county treasurer all claims for military service  
 3 tax exemptions which have been allowed by the board of supervisors.  
 4 Such certificate shall list the name of each owner and the legal  
 5 description of the property upon which military service tax exemption  
 6 has been granted, or the nature of the property upon which such  
 7 military service tax exemption has been allowed on property other than

\*Chapter 88.

8 real estate. The county treasurer shall forthwith certify to the state  
9 tax commission the amount of taxes which would be levied upon  
10 each property not in excess of twenty-five (25) mills on each dollar  
11 of assessed valuation, at the regular property rate imposed on other  
12 real and personal property in the taxing district where such military  
13 service tax exemption has been granted, were such property subject  
14 to normal property taxation.

1 SEC. 4. On October 1, 1947, and annually thereafter, the state tax  
2 commission shall estimate the millage credit not to exceed twenty-  
3 five (25) mills to be given to each dollar of eligible military service tax  
4 exemption valuation based upon the estimated revenue that may be dis-  
5 tributable from the military service tax credit fund for the ensuing  
6 year, and shall certify to the county treasurer of each county such  
7 millage credit and the amount in dollars thereof. The amount of  
8 such credits shall be apportioned by each county treasurer to the  
9 several taxing districts. Each taxing district shall receive its propor-  
10 tionate share of the military service tax credit allowed on each and  
11 every tax exemption allowed in such taxing district, [in the propor-  
12 tion that the levy made by such taxing district upon general property  
13 taxation by all taxing districts imposing a general property tax to  
14 such taxing district]\*\*; provided, however, that the several taxing  
15 districts shall not be permitted to withdraw the funds so credited  
16 until after the semiannual allocations have been received by the  
17 county treasurer, as provided by this act.

1 SEC. 5. In any county in which is located a special charter city  
2 which levies and collects its own taxes separately from the county,  
3 the county treasurer shall pay to the city treasurer out of the funds  
4 apportioned to said county from the military service tax credit fund,  
5 the city's share of military service tax credit which share shall be  
6 computed by the county treasurer upon each military service tax  
7 exemption claimed in said city in the percentage that the total millage  
8 levy imposed on taxable property in said city for municipal purposes  
9 bears to the total millage levy imposed upon property subject to  
10 taxation in said city for all purposes. The intention and purpose of  
11 this provision shall be to allot to any such city the same proportionate  
12 tax credit received by other cities and towns not under special  
13 charter, but this provision shall not be construed in any way to allot  
14 to any such city any greater benefits or credits than are provided by  
15 this act in other cities and towns.

1 SEC. 6. Section four hundred twenty-seven point six (427.6),  
2 Code 1946, is hereby amended by adding the following:  
3 "Any person whose claim is denied under the provisions of this  
4 act may appeal from the action of the board of supervisors in the  
5 district court of the county in which said claimed military service  
6 tax exemption is situated by giving written notice of such appeal  
7 to the county auditor of said county within twenty days from  
8 the date of mailing of notice of such action by the board of supervisors."  
9 Should the state tax commission determine, upon investigation,  
10 that any claim for military service tax exemption has been allowed

\*\*Amended by chapter 232.

11 by any board of supervisors which is not justifiable under the law  
12 and not substantiated by proper facts, the commission may, at  
13 any time within one year after the receipt by the state tax commission  
14 of the certification of such exemption by any county treasurer,  
15 set aside such allowance. Notice of such disallowance shall be given  
16 to the county auditor of the county in which such claim has been  
17 improperly granted and a written notice of such disallowance shall  
18 also be addressed to the claimant at his last known address. Such  
19 claimant, or the board of supervisors, may appeal from the action  
20 of the state tax commission in the same manner, and in the same  
21 time, as provided for appeals from disallowance by the board of  
22 supervisors. When such appeal is taken by claimant or by the board  
23 of supervisors, the appellant shall, within ten (10) days after the  
24 filing of such appeal, notify the chairman of the state tax commission,  
25 by registered mail with receipt requested, of the filing of said appeal.  
26 In any case, where a claim is so disallowed by the state tax commission  
27 and no appeal is taken from such disallowance, any amounts of credits  
28 allowed and paid from the military service tax credit fund shall become  
29 a lien upon the property on which said credit was originally granted,  
30 if still in the hands of the claimant, and not in the hands of a  
31 bonafide purchaser, and any amount so erroneously paid shall be  
32 collected by the county treasurer in the same manner as other taxes  
33 and such collections shall be returned to the state tax commission  
34 and credited to the military service tax credit fund. The state  
35 tax commission shall also have the authority to institute legal proceed-  
36 ings against a military service tax exemption claimant for the  
37 collection of all payments made on such disallowed exemptions.  
38 Said appeals shall be tried by equitable proceedings.

1 SEC. 7. The state tax commission shall prescribe the form for  
2 the making of a verified statement and designation of property  
3 eligible for military service tax exemption, and the form for the  
4 supporting affidavits required herein, and such other forms as may  
5 be necessary for the proper administration of this Act. As soon as  
6 practicable after the effective date of this Act, and from time to  
7 time thereafter as necessary, the commission shall forward to the  
8 county auditors of the several counties of the state, such prescribed  
9 sample forms. The commission shall have the power and authority  
10 to prescribe rules and regulations, not inconsistent with the provisions  
11 of this Act, necessary to carry out and effectuate its purposes.

1 SEC. 8. If the amount of credit apportioned to any property  
2 eligible to military service tax exemption under the provisions of  
3 this Act in any year shall exceed the total tax, exclusive of any  
4 special assessments levied against such property eligible for military  
5 service tax exemption then such excess shall be remitted by the county  
6 treasurer to the state tax commission to be redeposited in the military  
7 service tax credit fund and reallocated the following year by the  
8 commission as provided hereunder.

9 In the event any claim for exemption made hereunder has been  
10 denied by the board of supervisors, and such action is subsequently  
11 reversed on appeal, the same millage credit shall be allowed on the  
12 assessed valuation, not to exceed the amount of the military service  
13 tax exemption involved in said appeal, as was allowed on other

14 military service tax exemption valuations for the year or years  
15 in question, and the state tax commission, the county auditor, and  
16 the county treasurer are hereby authorized and directed to make  
17 such millage credit and to change their books and records accordingly.

18 In the event the appealing taxpayer has paid one or both of the  
19 installments of the tax payable in the year or years in question  
20 on such military service tax exemption valuation, remittance shall  
21 be made to the county treasurer in the amount of such credit.

22 The amount of such credit shall be allocated and paid from the  
23 surplus redeposited in the military tax credit fund provided for in  
24 the first paragraph of this section.

1 SEC. 9. In the event any claim is allowed, and subsequently  
2 reversed on appeal, any credit made thereunder shall be void, and  
3 the amount of such credit shall be charged against the property in  
4 question, and the state tax commission, the county auditor and the  
5 county treasurer are authorized and directed to correct their books  
6 and records accordingly. The amount of such erroneous credit, when  
7 collected, shall be returned by the county treasurer to the military  
8 service tax credit fund to be reallocated the following year as provided  
9 herein.

1 SEC. 10. Payments made under this act for military service tax  
2 exemption due and payable during the year 1948 shall be payable  
3 from the eight hundred thousand dollar (\$800,000) fund set aside  
4 by this Act for the establishment of a military service tax credit  
5 fund.

1 SEC. 11. There is hereby appropriated from the state general fund  
2 the sum of one million three hundred thousand dollars (\$1,300,000)  
3 for the payment of military service tax credit due and payable to  
4 the various taxing districts of the state under this Act for the year  
5 1949. Should the sum thus appropriated prove insufficient to reimburse  
6 the various taxing districts of the state for the amount of taxes which  
7 would have been levied against property upon which military service  
8 exemption has been allowed, were such property subject to taxation,  
9 to the amount of twenty-five (25) mills on each dollar of military  
10 service tax exemption valuation, the state tax commission shall  
11 allocate the amount available in such percentage as the amount avail-  
12 able shall bear to the total amount of claims filed in the entire  
13 state. Any balance not required for the payment of military service  
14 tax credits in any one year from the funds appropriated shall remain  
15 in the military service tax credit fund as a reserve to be applied upon  
16 payment of future claims.

Approved April 18, 1947.