

8 service tax exemption has been granted, or the nature of the property
 9 upon which such military service tax exemption has been allowed on
 10 property other than real estate total amount of dollars, listed by taxing
 11 district in the county, due for military service tax credits claimed and
 12 allowed. The county treasurer shall forthwith certify to the depart-
 13 ment of revenue the amount of taxes which would be levied upon each
 14 property net in excess of twenty-five mills on each dollar of assessed
 15 valuation, at the regular property rate imposed on other real and per-
 16 sonal property in the taxing district where such military service tax
 17 exemption has been granted, were such property subject to normal
 18 property taxation dollars, listed by taxing district in the county, due
 19 for military service tax credits claimed and allowed.

Approved July 6, 1973.

This Act was passed by the G. A. before July 1, 1973.

CHAPTER 251

TAX RELIEF FOR ELDERLY AND DISABLED

S. F. 376

AN ACT to provide property tax relief by providing a reimbursement for property taxes paid and rent constituting property taxes paid for persons sixty-five years of age or totally disabled, providing a penalty, and making an appropriation therefor.

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

1 SECTION 1. Chapter four hundred twenty-five (425), Code 1973,
 2 is amended by adding sections two (2) through twenty-two (22),
 3 inclusive, of this Act.

1 SEC. 2. NEW SECTION. **Additional tax credit.** In addition to the
 2 homestead tax credit allowed under section four hundred twenty-five
 3 point one (425.1), subsections one (1) through four (4), inclusive, of
 4 the Code, persons who own or rent their homesteads and who meet
 5 the qualifications provided in this Act are eligible for an extraordi-
 6 nary property tax reimbursement payable in September, 1974 and
 7 in September of any subsequent year.

1 SEC. 3. NEW SECTION. **Definitions.** As used in this Act, unless
 2 the context otherwise requires:

3 1. "Income" means the sum of Iowa net income as defined in sec-
 4 tion four hundred twenty-two point seven (422.7) of the Code, plus
 5 all of the following to the extent not already included in Iowa net
 6 income: capital gains, alimony, child support money, cash public
 7 assistance and relief, except property tax relief granted under this
 8 Act, the gross amount of any pension or annuity, including but not
 9 limited to railroad retirement benefits, all payments received under
 10 the federal social security act, and all military retirement and vet-
 11 eran's disability pensions, interest received from the state or federal
 12 government or any of its instrumentalities, workmen's compensation,
 13 the gross amount of disability income or "loss of time" insurance,
 14 and that part of net worth considered as income under subsection
 15 two (2) of this section. "Income" does not include gifts from non-
 16 governmental sources, or surplus foods or other relief in kind sup-

17 plied by a governmental agency.

18 2. "Net worth" means the total assets of a person less his total
19 liabilities as of December thirty-first of the base year. The value of
20 property shall be its market value as defined in section four hundred
21 forty-one point twenty-one (441.21) of the Code. For purposes of
22 computing a person's income, ten percent of his net worth exceeding
23 thirty-five thousand dollars shall be considered as income.

24 3. "Household" means a claimant, spouse, and any person related
25 to the claimant or spouse by blood, marriage, or adoption and living
26 with the claimant at any time during the base year. "Living with"
27 refers to domicile and does not include a temporary visit.

28 4. "Household income" means all income of all persons of a house-
29 hold during their respective twelve-month income tax accounting
30 periods ending with or during the base year.

31 5. "Homestead" means the dwelling actually used as a home by the
32 claimant during all or part of the base year, whether owned or
33 rented, and so much of the land surrounding it, not exceeding one
34 acre, as is reasonably necessary for use of the dwelling as a home,
35 and may consist of a part of a multi-dwelling or multi-purpose build-
36 ing and a part of the land upon which it is built. It does not include
37 personal property except that a mobile home may be a homestead.
38 Any dwelling or a part of a multi-dwelling or multi-purpose building
39 which is exempt from taxation shall not qualify as a homestead under
40 the provisions of this Act. A homestead must be located in this state.

41 6. "Claimant" means a person filing a claim for reimbursement
42 under this Act who has attained the age of sixty-five years on or
43 before December thirty-first of the base year, or who is totally dis-
44 abled and was totally disabled on or before December thirty-first of
45 the base year, and was domiciled in this state during the entire base
46 year and is domiciled in this state at the time the claim is filed.
47 "Claimant" includes a vendee in possession under a contract for deed
48 and may include one or more joint tenants or tenants in common.
49 In the case of a claim for rent constituting property taxes paid, the
50 claimant shall have rented the property during any part of the base
51 year. When two persons of a household are able to meet the quali-
52 fications for a claimant, they may determine between them who will
53 be the claimant. If they are unable to agree, the matter shall be
54 referred to the director of revenue not later than July thirty-first of
55 each year and his decision shall be final. If a homestead is occupied
56 by two or more persons, and more than one person is able to qualify
57 as a claimant, and some or all of the qualified persons are not related,
58 the persons may determine among them who will be the claimant.
59 If they are unable to agree, the matter shall be referred to the direc-
60 tor of revenue not later than July thirty-first of each year and his
61 decision shall be final.

62 7. "Totally disabled" means the inability to engage in any sub-
63 stantial gainful employment by reason of any medically determinable
64 physical or mental impairment which can be expected to result in
65 death or which has lasted or is reasonably expected to last for a con-
66 tinuous period of not less than twelve months.

67 8. "Rent constituting property taxes paid" means twenty percent
68 of the gross rent actually paid in cash or its equivalent during the
69 base year by the claimant or his household solely for the right of

70 occupancy of their homestead in the base year, and which rent con-
71 stitutes the basis, in the succeeding year, of a claim for reimburse-
72 ment under this Act by the claimant.

73 9. "Gross rent" means rental paid at arm's length solely for the
74 right of occupancy of a homestead, exclusive of charges for any
75 utilities, services, furniture, furnishings, or personal property appli-
76 ances furnished by the landlord as a part of the rental agreement
77 whether or not expressly set out in the rental agreement. If the
78 director of revenue determines that the landlord and tenant have not
79 dealt with each other at arm's length, and the director of revenue is
80 satisfied that the gross rent charged was excessive, he shall adjust
81 the gross rent to a reasonable amount as determined by the director.
82 If the landlord does not supply the charges for any utilities, services,
83 furniture, furnishings, or personal property appliances furnished by
84 him, or if the charges appear to be incorrect, the director of revenue
85 may apply a percentage determined from samples of similar gross
86 rents paid solely for the right of occupancy.

87 10. "Property taxes paid" means property taxes, exclusive of spe-
88 cial assessments, delinquent interest, and charges for services, paid
89 on a claimant's homestead in this state, but includes only property
90 taxes for which the claimant or a person of his household was liable
91 and which were actually paid by the claimant or a person of his house-
92 hold. If the property taxes have actually been paid, they shall be
93 deemed to have been paid when due, regardless of the date of actual
94 payment. "Property taxes paid" shall be computed with no deduc-
95 tion for any credit under this Act or for any homestead credit allowed
96 under section four hundred twenty-five point one (425.1) of the Code.
97 Claims for property tax reimbursement filed in 1974 shall be based
98 upon the property taxes paid in 1973. Claims for property tax reim-
99 bursement filed in 1975 shall be limited to two-thirds of the property
100 taxes paid in 1974 and the first one-half of 1975. Each year there-
101 after, each claim shall be based upon the taxes paid during the base
102 year. If a homestead is owned by two or more persons as joint ten-
103 ants or tenants in common, and one or more persons are not a mem-
104 ber of claimant's household, "property taxes paid" is that part of
105 property taxes paid on the homestead which equals the ownership
106 percentage of the claimant and his household. The county treasurer
107 shall include with the tax receipt a statement that if the owner of
108 the property is sixty-five years of age or over or is totally disabled,
109 he may be eligible for the credit allowed under this Act. If a claim-
110 ant changes his homestead, this shall not prevent him from filing a
111 claim based on property taxes for which the claimant or a person
112 of his household was liable and which were actually paid by the
113 claimant or a person of his household, but duplication of claims shall
114 not be allowed. If a homestead is an integral part of a farm, the
115 claimant may use the total property taxes paid for the larger unit,
116 but not exceeding forty acres of land. If a homestead is an integral
117 part of a multi-dwelling or multi-purpose building the property
118 taxes paid for the purpose of this subsection shall be prorated to
119 reflect the portion which the value of the property that the household
120 occupies as its homestead is to the value of the entire structure. For
121 purposes of this subsection, "unit" refers to that parcel of property

122 covered by a single tax statement of which the homestead is a part.

123 11. "Base year" means:

124 a. For a claimant filing a claim for rent constituting property taxes
125 paid, the calendar year last ending before the claim is filed.

126 b. For a claimant filing a claim for property taxes paid, the state
127 fiscal year ending in the calendar year in which the claim is filed.

1 SEC. 4. NEW SECTION. **Claim is personal.** The right to file a
2 claim under this Act shall be personal to the claimant and shall not
3 survive his death, but the right may be exercised on behalf of a
4 claimant by his legal guardian or attorney. If a claimant dies after
5 having filed a claim, the amount of the reimbursement may be paid
6 to another member of the household as determined by the director.
7 If the claimant was the only member of his household, the reim-
8 bursement may be paid to his executor or administrator, but if
9 neither is appointed and qualified within one year from the date of
10 the filing of the claim, the reimbursement shall escheat to the state.

1 SEC. 5. NEW SECTION. **Claim and reimbursement.** Subject to
2 the limitations provided in this Act, a claimant may annually claim
3 a reimbursement for property taxes paid or rent constituting prop-
4 erty taxes paid in the base year. The amount of the reimbursement
5 for property taxes paid for a homestead, after audit or certification
6 by the director, shall be paid by joint payee check to the claimant
7 and the treasurer of the county in which the homestead of the claim-
8 ant is located, and the amount of the reimbursement for rent consti-
9 tuting property taxes paid shall be paid to the claimant only, from
10 the state general fund on or before September twenty-fifth of each
11 year commencing in 1974. If the amount of the reimbursement to the
12 claimant and county treasurer exceeds the tax due from the claimant
13 on or about October first, the county treasurer shall credit the re-
14 mainder of the reimbursement to be applied against property tax due
15 from the claimant on or about April first of the next calendar year
16 with any remaining excess to be paid by the county treasurer to the
17 claimant or his agent.

1 SEC. 6. NEW SECTION. **Filing date.** A claim for reimbursement
2 for property taxes paid or rent constituting property taxes paid shall
3 not be paid or allowed, unless the claim is actually filed with and in
4 the possession of the department of revenue on or before July thirty-
5 first of the year following the base year, beginning July 31, 1974.

6 In case of sickness, absence, or other disability of the claimant or
7 if, in the judgment of the director of revenue, good cause exists and
8 the claimant requests an extension prior to August first, the director
9 may extend the time for filing a claim for reimbursement for a period
10 not to exceed three months. The director may also extend the time
11 for filing for all claimants or for any reasonable group or class of
12 claimants for a period not to exceed three months if, in his judgment,
13 good cause exists.

1 SEC. 7. NEW SECTION. **Satisfaction of outstanding tax liabili-**
2 **ties.** The amount of any claim for reimbursement payable under this
3 Act may be applied by the department of revenue against any tax
4 liability outstanding on the books of the department against the

5 claimant, or against a spouse who was a member of the claimant's
6 household in the base year.

1 SEC. 8. NEW SECTION. **One claimant per household.** Only one
2 claimant per household per year shall be entitled to reimbursement
3 under this Act.

1 SEC. 9. NEW SECTION. **Schedule for claims for reimbursement.**
2 The amount of any claim for reimbursement filed under this Act shall
3 be determined as provided in this section.

4 1. The tentative reimbursement shall be the higher of the two
5 amounts determined as follows:

6 a. The amount shall be determined according to the following
7 schedule:

	If the Household Income is:	Percent of Property Taxes Paid or Rent Constituting Property Taxes Paid Allowed As A Reimbursement:
12	\$ 0 - 999.99	95%
13	1,000 - 1,999.99	80
14	2,000 - 2,999.99	65
15	3,000 - 3,999.99	50
16	4,000 - 4,999.99	35
17	5,000 - 5,999.99	25

18 b. If the claim is for property taxes paid, the alternative tentative
19 reimbursement shall be one hundred twenty-five dollars, but not
20 exceeding the amount of property taxes paid in the base year, if both
21 of the following are true:

22 (1) The claimant was entitled to and received the alternative
23 homestead tax credit as provided in section four hundred twenty-five
24 point one (425.1), subsection five (5) of the Code against property
25 taxes paid in the calendar year 1973.

26 (2) The household income is less than four thousand dollars.

27 2. The actual reimbursement for property taxes paid shall be
28 determined by subtracting from the tentative reimbursement the
29 amount of the homestead credit under section four hundred twenty-
30 five point one (425.1) of the Code which was allowed as a credit
31 against property taxes paid in the base year by the claimant or any
32 person of his household. If the subtraction produces a negative
33 amount, there shall be no reimbursement but no refund shall be
34 required. The actual reimbursement for rent constituting property
35 taxes paid shall be equal to the tentative reimbursement.

1 SEC. 10. NEW SECTION. **Maximum property tax.** In any case in
2 which property taxes paid or rent constituting property taxes paid
3 in any base year for any household exceeds six hundred dollars, the
4 amount of property taxes paid or rent constituting property taxes
5 paid shall be deemed to have been six hundred dollars for purposes
6 of this Act.

1 SEC. 11. NEW SECTION. **Administration.** The director of reve-
2 nue shall make available suitable forms with instructions for claim-
3 ants. Each assessor and county treasurer shall make available the
4 forms and instructions. The claim shall be in such form as the direc-

5 tor may prescribe. The director may also devise a tax reimbursement
6 table, with amounts rounded to the nearest whole dollar. Reimburse-
7 ments in the amount of less than one dollar shall not be paid.

1 SEC. 12. NEW SECTION. **Proof of claim.** Every claimant shall
2 give the department of revenue, in support of his claim reasonable
3 proof of:

4 1. Age and total disability, if any;

5 2. Property taxes paid or rent constituting property taxes paid,
6 including the portion of gross rent paid for providing utilities, ser-
7 vices, furniture, furnishings, and personal property appliances, and
8 the name and address of the owner or manager of the property rented
9 and a statement whether the claimant is related by blood, marriage
10 or adoption to the owner or manager of the property rented;

11 3. Homestead credit allowed against property taxes paid;

12 4. Changes of homestead;

13 5. Household membership;

14 6. Household income and a statement of the claimant's net worth
15 above thirty-five thousand dollars;

16 7. Size and nature of property claimed as the homestead; and

17 8. A statement that the property taxes paid and used for purposes
18 of this Act have been or will be paid by him, and that there are no
19 delinquent property taxes on the homestead.

20 9. Any information needed to determine whether the claimant is
21 eligible for the alternative reimbursement under section nine (9),
22 subsection one (1), paragraph b of this Act.

23 The director may require any additional proof necessary to support
24 a claim.

1 SEC. 13. NEW SECTION. **Audit of claim.** If on the audit of any
2 claim for reimbursement under this Act, the director determines the
3 amount of the claim to have been incorrectly calculated or that the
4 claim is not allowable, he shall recalculate the claim and notify the
5 claimant of the recalculation or denial and his reasons for it. The
6 director shall not adjust any claim after three years from July thirty-
7 first of the year in which the claim was filed. If the claim for reim-
8 bursement has been paid, the amount may be recovered by assessment
9 in the same manner that income taxes are assessed under sections
10 four hundred twenty-two point twenty-six (422.26) and four hundred
11 twenty-two point thirty (422.30) of the Code. The recalculation of
12 the claim shall be final unless appealed as provided in section seven-
13 teen (17) of this Act. The provisions of section four hundred twenty-
14 two point seventy (422.70) of the Code shall be applicable with
15 respect to this Act.

1 SEC. 14. NEW SECTION. **Waiver of confidentiality.** A claimant
2 shall expressly waive any right to confidentiality relating to all in-
3 come tax information obtainable through the department of revenue,
4 including all information covered by sections four hundred twenty-
5 two point twenty (422.20) and four hundred twenty-two point
6 seventy-two (422.72) of the Code. This waiver shall apply to infor-
7 mation available to the county or city assessor who shall hold the
8 information confidential except that it may be used as evidence to
9 disallow the credit.

1 **SEC. 15. NEW SECTION. False claim — penalty.** Any person
2 making a false affidavit for the purpose of obtaining reimbursement
3 provided for in this Act or who knowingly receives the reimburse-
4 ment without being legally entitled to it or makes claim for the reim-
5 bursement in more than one county in the state shall be guilty of a
6 misdemeanor, and upon conviction shall be fined not more than one
7 hundred dollars or imprisoned in the county jail for not more than
8 thirty days or be subject to both such fine and imprisonment. An
9 action under this section shall be brought in the county in which the
10 affidavit was filed. The claim for reimbursement shall be disallowed
11 in full and if the claim has been paid the amount may be recovered
12 by assessment in the manner that income taxes are assessed pursuant
13 to sections four hundred twenty-two point twenty-six (422.26) and
14 four hundred twenty-two point thirty (422.30) of the Code. The
15 director of revenue shall send a notice of disallowance of the claim.

1 **SEC. 16. NEW SECTION. Notices.** Section four hundred twenty-
2 two point fifty-seven (422.57), subsection one (1) of the Code shall
3 apply to all notices under this Act.

1 **SEC. 17. NEW SECTION. Appeals.** Any person aggrieved by an
2 act or decision of the director of revenue or the department of reve-
3 nue under this Act shall have the same rights of appeal and review
4 as provided in sections four hundred twenty-one point one (421.1)
5 and four hundred twenty-two point fifty-three (422.53) of the Code
6 and the rules of the department of revenue.

1 **SEC. 18. NEW SECTION. Disallowance of certain claims.** A claim
2 for reimbursement shall be disallowed if the department finds that
3 the claimant or a person of his household received title to his home-
4 stead primarily for the purpose of receiving benefits under this Act.

1 **SEC. 19. NEW SECTION. Rent increase—request and order for**
2 **reduction.** If upon petition by a claimant the department of revenue
3 determines that a landlord has increased the claimant's rent primar-
4 ily because the claimant is eligible for reimbursement under this Act,
5 the department of revenue shall request the landlord by certified mail
6 to reduce the rent appropriately.

7 In determining whether a landlord has increased a claimant's rent
8 primarily because the claimant is eligible for reimbursement under
9 this Act, the department of revenue shall consider the following
10 factors:

- 11 1. The amount of the increase in rent.
- 12 2. If the landlord operates other rental property, whether a similar
13 increase was imposed on the other rental property.
- 14 3. Increased or decreased costs of materials, supplies, services, and
15 taxes in the area.
- 16 4. The time the rent was increased.
- 17 5. Other relevant factors in each particular case.

18 If the landlord fails to comply with the request of the department
19 of revenue within fifteen days after the request is mailed by the de-
20 partment, the department of revenue shall order the rent reduced by
21 an appropriate amount.

1 **SEC. 20. NEW SECTION. Hearings and appeals.** If the depart-
2 ment of revenue orders a landlord to reduce rent to a claimant, then
3 upon the request of the landlord the department of revenue shall hold
4 a prompt hearing of the matter, to be conducted in accordance with
5 the rules of the department. The department of revenue shall give
6 notice of the decision by certified mail to the claimant and to the
7 landlord.

8 The claimant and the landlord shall have the rights of appeal and
9 review as provided in section seventeen (17) of this Act.

1 **SEC. 21. NEW SECTION. Defense to action for nonpayment of**
2 **rent.** It is an affirmative defense to any action by a landlord based
3 upon nonpayment or partial payment of rent that the landlord in-
4 creased the rent primarily because the tenant had received, or was
5 eligible for, reimbursement under this Act.

1 **SEC. 22. NEW SECTION. Discrimination in rentals or rent charges.**
2 Discrimination by a landlord in the rental of or in rent charges for a
3 homestead because the tenant has received or is eligible for reim-
4 bursement under this Act is a misdemeanor and the punishment shall
5 be the same as provided in section fifteen (15) of this Act.

1 **SEC. 23. NEW SECTION. Rules.** The director of revenue shall
2 adopt rules in accordance with chapter seventeen A (17A) of the
3 Code for the interpretation and proper administration of this Act,
4 including rules to prevent and disallow duplication of benefits and to
5 prevent any unreasonable hardship or advantage to any person.

1 **SEC. 24. NEW SECTION.**

2 1. Any person who is entitled to the alternative homestead tax
3 credit as provided in section four hundred twenty-five point one
4 (425.1), subsection five (5) of the Code and who properly applies for
5 the credit on or before July 1, 1973, shall be allowed the credit against
6 taxes on the eligible homestead payable in the extended fiscal year
7 beginning January 1, 1974 and ending June 30, 1975, in an amount
8 equal to one hundred twenty-five dollars, except that the credit shall
9 not exceed two-thirds of the amount of the property taxes payable
10 on the homestead in the extended fiscal year.

11 2. The credits referred to in subsection one (1) of this section shall
12 be the final credits allowed under section four hundred twenty-five
13 point one (425.1), subsection five (5) of the Code, and thereafter no
14 credit shall be allowed thereunder.

15 3. Credits allowed under section four hundred twenty-five point
16 one (425.1), subsection five (5) of the Code against taxes payable in
17 1973 or in the extended fiscal year beginning January 1, 1974 and
18 ending June 30, 1975, shall be subtracted in determining reimburse-
19 ment under this Act as provided in section nine (9), subsection two
20 (2) of this Act.

1 **SEC. 25. NEW SECTION. Fund created—appropriation.** There is
2 appropriated annually from the general fund of the state to the
3 department of revenue to be credited to the extraordinary property
4 tax reimbursement fund, which fund is hereby created, funds not
5 otherwise appropriated, an amount sufficient to carry out the provi-
6 sions of this Act.

- 1 SEC. 26. Effective December 31, 1973, section four hundred
 2 twenty-five point one (425.1), Code 1973, is amended by striking
 3 subsection five (5).

Approved July 19, 1973.

This Act was passed by the G. A. before July 1, 1973.

CHAPTER 252

ELECTRIC UTILITIES UNDER JOINT OWNERSHIP

S. F. 516

AN ACT to provide for the assessment and taxation of the property of municipally-owned electric utilities held under joint ownership.

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

- 1 SECTION 1. Section four hundred twenty-seven point one (427.1),
 2 subsection two (2), Code 1973, is amended to read as follows:
 3 2. Municipal and military property. The property of a county,
 4 township, city, town, school corporation, levee district, drainage dis-
 5 trict or military company of the state of Iowa, when devoted to public
 6 use and not held for pecuniary profit *except property of a municipally-*
 7 *owned electric utility held under joint ownership which shall be subject*
 8 *to assessment and taxation under provisions of chapters four hundred*
 9 *twenty-eight (428) and four hundred thirty-seven (437) of the Code.*

Approved July 18, 1973.

This Act was passed by the G. A. before July 1, 1973.

CHAPTER 253

CEMETERY EXEMPTION FROM TAXES

H. F. 208

AN ACT relating to the property tax exemption for property owned by cemetery associations.

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

- 1 SECTION 1. Section four hundred twenty-seven point one (427.1),
 2 subsection seven (7), Code 1973, is amended by striking the subsection
 3 and inserting in lieu thereof the following:
 4 7. Property of cemetery associations. Burial grounds, mausoleums,