

6 in the base year. The amount of the reimbursement for property taxes  
 7 paid for a homestead, after audit or certification by the director, shall  
 8 be paid by joint payee check to the claimant and the treasurer of the  
 9 county in which the homestead of the claimant is located, and the  
 10 amount of the reimbursement for rent constituting property taxes paid  
 11 shall be paid to the claimant only, from the state general fund on or  
 12 before September 25 of each year commencing in 1974. If the amount  
 13 of the reimbursement to the claimant and county treasurer exceeds the  
 14 tax due from the claimant on or about October 1, the county treasurer  
 15 shall credit the remainder of the reimbursement to be applied against  
 16 property tax due from the claimant on or about April 1 of the next cal-  
 17 endar year with any remaining excess to be paid by the county treasur-  
 18 er to the claimant or his agent. However, the claimant for  
 19 reimbursement for property taxes paid may designate on the claim  
 20 at the time it is filed that the check for reimbursement for property  
 21 taxes paid be made payable to the claimant and the county treasur-  
 22 er of the county in which the homestead is located.

Approved February 28, 1975

---

## CHAPTER 215

### FARM EQUIPMENT TAX EXEMPTION

S. F. 313

AN ACT correcting the amount of the farm equipment tax exemption.

*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 sixteen (16), Code 1975, is amended to read as follows:  
 3 16. Farm equipment—drays—tools. The farming utensils of any  
 4 person who makes his livelihood by farming, the team, wagon, and  
 5 harness of the teamster or drayman who makes his living by their use  
 6 in hauling for others, and the tools of any mechanic, not in any case to  
 7 exceed three hundred one thousand one hundred eleven dollars in  
 8 taxable value.

Approved April 22, 1975

---

## CHAPTER 216

### MILITARY SERVICE TAX EXEMPTION

H. F. 811

AN ACT relating to the military service tax exemption and making the Act retroactive.

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

1 SECTION 1. Section four hundred twenty-seven point three (427.3),  
 2 Code 1975, is amended by striking subsection four (4) and inserting in  
 3 lieu thereof the following:

4 4. The property, not to exceed one thousand eight hundred fifty-two  
 5 dollars in taxable value of any honorably separated, retired, fur-  
 6 loughed to a reserve, placed on inactive status, or discharged soldier,  
 7 sailor, marine, or nurse of the second World War from December 7,  
 8 1941 to December 31, 1946, army of occupation in Germany November  
 9 12, 1918, to July 11, 1923, American expeditionary forces in Siberia  
 10 November 12, 1918, to April 30, 1920, second Nicaraguan campaign  
 11 with the navy or marines in Nicaragua or on combatant ships  
 12 1926-1933, second Haitian suppressions of insurrections 1919-1920, navy  
 13 and marine operations in China 1937-1939 and Yangtze service with  
 14 navy and marines in Shanghai or in the Yangtze Valley 1926-1927 and  
 15 1930-1932 or of the Korean Conflict at any time between June 25, 1950,  
 16 and January 31, 1955, both dates inclusive, or those who served on  
 17 active duty during the Vietnam Conflict beginning August 5, 1964, and  
 18 ending June 30, 1973, both dates inclusive, and as defined in section  
 19 thirty-five C point two (35C.2) of the Code.

1 SEC. 2. The provisions of section one (1) of this Act shall be retroac-  
 2 tive to January 1, 1975, and to this extent section one (1) of this Act is  
 3 retroactive.

1 SEC. 3. This Act, being deemed of immediate importance, shall  
 2 take effect and be in force from and after its publication in the Marion  
 3 County News, a newspaper published in Pleasantville, Iowa, and in  
 4 the Sioux Rapids Bulletin-Press, a newspaper published in Sioux  
 5 Rapids, Iowa.

Approved July 14, 1975

I hereby certify that the foregoing Act, House File 811, was published in the Marion County News, Pleasantville, Iowa, July 24, 1975, and in the Sioux Rapids Bulletin-Press, Sioux Rapids, Iowa, July 23, 1975.

MELVIN D. SYNHORST, *Secretary of State*

## CHAPTER 217

### TAXATION OF ANNUITY PREMIUMS

#### H. F. 881

AN ACT relating to the taxation of individual retirement annuity premiums.

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

1 SECTION 1. Section four hundred thirty-two point one (432.1), sub-  
 2 section one (1), unnumbered paragraph two (2), Code 1975, is amended  
 3 to read as follows:

4 In determining the gross amount of premiums to be taxed hereunder,  
 5 there shall be excluded all premiums received from policies or contracts  
 6 issued in connection with a pension, annuity ~~or~~, profit sharing plan *or*  
 7 *individual retirement annuity* qualified or exempt under sections  
 8 401, 403, 404, *four hundred eight (408)*, or 501(a) of the federal Inter-  
 9 *nal Revenue Code* as now or hereafter amended and all premiums re-  
 10 turned to policyholders or annuitants during the preceding calendar  
 11 year, except cash surrender values, all dividends that, during said  
 12 year, have been paid in cash or applied in reduction of premiums or  
 13 left to accumulate to the credit of policyholders or annuitants.

Approved June 6, 1975