

## CHAPTER 1106

## MOBILE HOME TAX REDUCTION

H. F. 1590

AN ACT relating to taxation by providing for a tax reduction for an owner of a mobile home who is totally disabled, is a surviving spouse having attained the age of fifty-five years, or is sixty-five years of age or older, providing for reimbursement to counties, providing for an exemption of a certain portion of United States civil service retirement and disability annuities from state individual income taxes, exempting low-rent housing developments for the elderly and handicapped owned and operated by nonprofit organizations from property taxes, providing for an adjustment in the personal property tax phase-out, providing for an increase from fifteen thousand to thirty thousand in the amount of the exemption provided to each son and daughter of a deceased person and an increase from five to ten thousand dollars the exemption for other lineal descendants of a deceased person in computing inheritance tax, reducing the time allowed for filing inheritance and estate tax returns, and making appropriations.

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

1 SECTION 1. Section one hundred thirty-five D point twenty-two (135D.22),  
2 subsection two (2), Code 1975, is amended to read as follows:

3 2. ~~Effective January 1, 1975, if~~ *If* the owner of the mobile home is totally  
4 disabled as defined in section 425.17, subsection 7, *is a surviving spouse having*  
5 *attained the age of fifty-five years not later than December thirty-first of the base*  
6 *year, or is was sixty-five years of age or older not later than December thirty-first of*  
7 *the base year* and his income when included with that of his spouse is less than  
8 one thousand dollars per year, ~~the~~ *no* semiannual tax shall be ~~computed by~~  
9 ~~multiplying the number of square feet in imposed on the mobile home by one-half~~  
10 ~~of one cent.~~ If such income is one thousand dollars or more but less than two  
11 thousand dollars, the semiannual tax shall be computed at the rate of ~~two cents~~  
12 *one-half of one cent* per square foot, if such income is two thousand dollars or  
13 more but less than three thousand dollars, the semiannual tax shall be computed  
14 at the rate of ~~three~~ *one and one-half* cents per square foot, if such income is three  
15 thousand dollars or more but less than four thousand dollars, the semiannual tax  
16 shall be computed at the rate of ~~five~~ *three* cents per square foot, if such income is  
17 four thousand dollars or more but less than five thousand dollars, the semiannual  
18 tax shall be computed at the rate of ~~six~~ *four and one-half* cents per square foot,  
19 ~~and~~ if such income is five thousand dollars or more but less than six thousand  
20 dollars, the semiannual tax shall be computed at the rate of ~~seven~~ *five and one-*  
21 *half* cents per square foot, *if such income is six thousand dollars or more but less*  
22 *than seven thousand dollars, the semiannual tax shall be computed at the rate of six*  
23 *and one-half cents per square foot, if such income is seven thousand dollars or more*  
24 *but less than eight thousand dollars, the semiannual tax shall be computed at the rate*  
25 *of seven cents per square foot, and if such income is eight thousand dollars or more*  
26 *but less than nine thousand dollars, the semiannual tax shall be computed at the rate*  
27 *of seven and one-half cents per square foot.* For purposes of this subsection,  
28 "income" means income as defined in section 425.17, subsection 1 and "base  
29 year" means the calendar year preceding the year in which a claim for a reduced rate  
30 of tax is filed.

1 SEC. 2. Section one hundred thirty-five D point twenty-two (135D.22), Code  
2 1975, is amended by adding the following new subsection:

3 NEW SUBSECTION. On or before February first of each year, each mobile  
4 home owner eligible for a reduced tax rate shall file a claim for such tax rate with  
5 the county treasurer. The forms for filing the claim shall be provided by the  
6 department of revenue. The forms shall require such information as is determined  
7 by the director of revenue. The reduced tax rate shall be applicable to both  
8 semiannual tax payments due in the calendar year in which the claim is filed. If

9 an eligible mobile home owner fails to file a claim by February first, no reduced  
10 tax rate shall be granted for the semiannual tax payment due by February first, of  
11 that year. Claims filed with the county treasurer after February first, but before  
12 August first, shall be applicable to the semiannual tax payment due by August  
13 first, only.

14 On or before March 15, 1977, and each year thereafter, the county treasurer of  
15 each county shall prepare a statement listing for each taxing district in the county  
16 the total amount of taxes which will not be collected for the calendar year 1977,  
17 and each year thereafter, by reason of the reduced tax rate granted under  
18 subsection two (2) of this section. The county treasurer shall certify and forward  
19 such statement to the director of revenue not later than March fifteenth of each  
20 year.

21 The director of revenue shall certify to the state comptroller the amount due to  
22 each county, which amount shall be the dollar amount which will not be collected  
23 due to the granting of the reduced tax rate under this subsection.

24 The amounts due each county shall be paid in two equal payments by the state  
25 comptroller on April fifteenth and October fifteenth of each year, drawn upon  
26 warrants payable to the respective county treasurers. The county treasurer in each  
27 county shall apportion such payment in accordance with section one hundred  
28 thirty-five D point twenty-five (135D.25) of the Code.

1 SEC. 3. Chapter one hundred thirty-five D (135D), Code 1975, is amended by  
2 adding the following new section:

3 NEW SECTION. A mobile home owner who qualifies for a reduced tax rate  
4 provided in section one hundred thirty-five D point twenty-two (135D.22) of the  
5 Code and who rents a space upon which to set the mobile home shall be entitled  
6 to the protections provided in sections four hundred twenty-five point thirty-three  
7 (425.33) through four hundred twenty-five point thirty-six (425.36) of the Code  
8 and if the mobile home owner who qualifies for a reduced tax rate believes that a  
9 landlord has increased the mobile home owner's rent because the mobile home  
10 owner is eligible for a reduced tax rate, the provisions of sections four hundred  
11 twenty-five point thirty-three (425.33) and four hundred twenty-five point thirty-  
12 six (425.36) of the Code shall be applicable.

1 SEC. 4. There is appropriated annually from the general fund of the state to  
2 the department of revenue an amount sufficient to carry out the provisions of  
3 section two (2) of this Act.

1 SEC. 5. Section four hundred twenty-two point five (422.5), Code 1975, as  
2 amended by Acts of the Sixty-sixth General Assembly, 1975 Session, chapter two  
3 hundred seven (207), section one (1), is amended by adding the following new  
4 unnumbered paragraph:

5 NEW UNNUMBERED PARAGRAPH. A person who is disabled or is sixty-two  
6 years of age or older and receives an annuity or annuities from the United States  
7 civil service retirement and disability trust fund, and whose net income, as  
8 defined in section four hundred twenty-two point seven (422.7) of the Code, is  
9 sufficient to require that the tax be imposed upon it under this section, may  
10 determine final taxable income for purposes of imposition of the tax by excluding  
11 the amount of an annuity or annuities received from the United States civil  
12 service retirement and disability trust fund, which are not already excluded in  
13 determining net income, as defined in section four hundred twenty-two point  
14 seven (422.7) of the Code, up to a maximum each tax year of four thousand two  
15 hundred fifty dollars for a person who files a separate state income tax return and  
16 six thousand five hundred dollars total for a husband and wife who file a joint  
17 state income tax return. The amount of the exemption shall be reduced by the  
18 amount of any social security benefits received. For the purpose of this section,  
19 the amount of an annuity or annuities received from the United States civil  
20 service retirement and disability trust fund taxable under the Internal Revenue

21 Code of 1954 shall be included in net income for purposes of determining  
22 eligibility under the four thousand dollar or less exclusion.

1 SEC. 6. Section four hundred twenty-seven point one (427.1), Code 1975, is  
2 amended by adding the following new subsection:

3 NEW SUBSECTION. **Low-rent housing.** The property owned and operated by a  
4 nonprofit organization providing low-rent housing for the elderly and the  
5 physically and mentally handicapped. The exemption granted under the  
6 provisions of this subsection shall apply only until the terms of the original low-  
7 rent housing development mortgage is paid in full or expires, subject to the  
8 provisions of subsections twenty-three (23) and twenty-four (24) of this section.

1 SEC. 7. Section four hundred fifty point six (450.6), Code 1975, is amended to  
2 read as follows:

3 **450.6 Accrual of tax—maturity—extension of time.** The tax hereby imposed  
4 shall be for the use of the state, shall accrue at the death of the decedent owner,  
5 and shall be paid to the department of revenue within ~~fifteen~~ *twelve* months after  
6 the death of the decedent owner except when otherwise provided in this chapter.  
7 When in the opinion of the director of revenue additional time should be granted  
8 for payment to avoid hardship, the director may extend the period to a date not  
9 exceeding three years from date of death of decedent, but in case of any such  
10 extension the tax shall bear six percent interest from the expiration of ~~fifteen~~  
11 *twelve* months from decedent's death.

1 SEC. 8. Section four hundred fifty point nine (450.9), subsections two (2) and  
2 four (4), Code 1975, are amended to read as follows:

3 2. Each son and daughter, including legally adopted sons and daughters, or  
4 illegitimate sons and daughters entitled to inherit under the law of this state,  
5 ~~fifteen~~ *thirty* thousand dollars.

6 4. Any other lineal descendant of the deceased, ~~five~~ *ten* thousand dollars.

1 SEC. 9. Section four hundred fifty point sixty-three (450.63), Code 1975, is  
2 amended to read as follows:

3 **450.63 Maturity of tax—interest.** All taxes imposed by this chapter shall be  
4 payable to the department of revenue and, except when otherwise provided in this  
5 chapter, shall be paid within ~~fifteen~~ *twelve* months from the death of the testator  
6 or intestate. All taxes not paid within the time prescribed in this chapter shall  
7 draw interest at the rate of eight percent per annum thereafter until paid.

1 SEC. 10. Section four hundred fifty-one point six (451.6), Code 1975, as  
2 amended by Acts of the Sixty-sixth General Assembly, 1975 Session, chapter two  
3 hundred twenty-one (221), section two (2), is amended to read as follows:

4 **451.6 Payment of tax.** The tax imposed by this chapter shall be paid by the  
5 executor to the department of revenue within ~~fifteen~~ *twelve* months from the date  
6 of the death of such decedent, or in case such decedent died more than ~~fifteen~~  
7 *twelve* months prior to April 12, 1929, then within six months after the effective  
8 date hereof.

1 SEC. 11. Section one hundred thirty-five D point twenty-eight (135D.28),  
2 Code 1975, is repealed.

1 SEC. 12. The provisions of section five (5) of this Act shall be applicable for  
2 tax years beginning on or after January 1, 1977.

1 SEC. 13. The provisions of section six (6) of this Act shall become effective  
2 January 1, 1977.

1 SEC. 14. The provisions of section nine (9) of this Act shall be applicable to  
2 the estate of a person whose death occurs on or after July 1, 1976.

1 SEC. 15. The provisions of sections one (1), two (2), and three (3) of this Act  
2 shall become effective January 1, 1977.

Approved June 27, 1976

## CHAPTER 1107

### UNIFORM COMMERCIAL CODE

S. F. 1272

AN ACT relating to security interests regulated by the uniform commercial code.

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

1 SECTION 1. Section one hundred thirty-five D point twenty-six (135D.26),  
2 subsection one (1), paragraph c, and subsection two (2), Code 1975, are amended  
3 to read as follows:

4 c. If a ~~lien~~ *security interest* is noted on the certificate of title, tendering to the  
5 secured party a mortgage on the real estate upon which the mobile home is to be  
6 located in the unpaid amount of the secured debt, and with the same priority as  
7 or a higher priority than the secured party's ~~lien~~ *security interest*, or obtaining  
8 written consent of the secured party to the conversion.

9 2. After complying with the provisions of subsection 1, the owner shall notify  
10 the assessor who shall inspect the new premises for compliance. If a ~~lien~~ *security*  
11 *interest* is noted on the certificate of title, the assessor shall require an affidavit, as  
12 defined in section 622.85, from the mobile home owner, declaring that the owner  
13 has complied with subsection 1, paragraph "c", and shall send notice of the  
14 proposed conversion to the secured party by regular mail not less than ten days  
15 before the conversion becomes effective. When the mobile home is properly  
16 converted, the assessor shall then collect the mobile home vehicle title,  
17 registration, and license plates from the owner and enter the property upon the  
18 tax rolls.

1 SEC. 2. Section three hundred twenty-one point fifty (321.50), title, and  
2 subsections one (1) and five (5), Code 1975, and subsection seven (7), as amended  
3 by Acts of the Sixty-sixth General Assembly, 1975 Session, chapter one hundred  
4 seventy-one (171), section eight (8), are amended to read as follows:

5 **321.50 Lien Security interest provisions.**

6 1. A security interest in a vehicle subject to registration under the laws of this  
7 state, except trailers whose empty weight is two thousand pounds or less, and  
8 wagon box trailers subject to a registration fee of five dollars or less, and new or  
9 used vehicles held by a dealer or manufacturer as inventory for sale, is perfected  
10 by the delivery to the county treasurer of the county where the certificate of title  
11 was issued or, in the case of a new certificate, to the county treasurer where the  
12 certificate will be issued of an application for certificate of title which lists such  
13 security interest, or an application for notation of security interest signed by the  
14 owner, or a certificate of title from another jurisdiction which shows such security  
15 interest, and a fee of two dollars for each security interest shown. If the owner or  
16 secured party is in possession of the certificate of title, it must also be delivered at  
17 this time in order to perfect the security interest. If a vehicle is subject to a  
18 security interest when brought into this state, the validity of the security interest  
19 and the date of perfection is determined by the Uniform Commercial Code,  
20 section 554.9103. *Delivery as provided in this subsection shall be deemed to be*  
21 *indication of a security interest on a certificate of title for purposes of chapter five*