

CHAPTER 1246**HOMESTEAD CREDIT AND MILITARY SERVICE TAX EXEMPTION CLAIM***H.F. 844*

AN ACT relating to the filing of a claim for the homestead credit or military service tax exemption only once and providing that the credit or exemption will be granted without refiling a claim for as long as the person or the person's spouse owns the property designated for the credit or exemption on July 1, providing for a civil penalty, and providing for a January 1 effective date.

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

Section 1. Section 425.2, unnumbered paragraph 1, Code 1981, is amended by striking the paragraph and inserting in lieu thereof the following:

A person who wishes to qualify for the credit allowed under this chapter, shall obtain the appropriate forms for filing for the credit from the assessor. The person claiming the credit shall file a verified statement and designation of homestead with the assessor for the year for which the person is first claiming the credit. The claim shall be filed not later than July 1 of the year for which the person is claiming the credit.

Upon the filing and allowance of the claim, the claim shall be allowed on that homestead for successive years without further filing as long as the property is legally or equitably owned and used as a homestead by that person or that person's spouse on July 1 of each of those successive years. When the property is sold or transferred, the buyer or transferee who wishes to qualify shall refile for the credit. An owner who ceases to use a property for a homestead shall provide written notice to the assessor by July 1 following the date on which the use is changed. A person who sells or transfers a homestead or the personal representative of a deceased person who had a homestead at the time of death, shall provide written notice to the assessor that the property is no longer the homestead of the former claimant.

In case the owner of the homestead is in active service in the armed forces of this state or of the United States, or is sixty-five years of age or older, or is disabled, the statement and designation may be signed and delivered by any member of the owner's family, by the owner's guardian or conservator, or by any other person who may represent the owner under power of attorney. If the owner of the homestead is married, the spouse may sign and deliver the statement and designation. The commissioner of social services or the commissioner's designee may make application for the benefits of this chapter as the agent for and on behalf of persons receiving assistance under chapter 249.

Sec. 2. Section 425.3, Code 1981, is amended by striking the section and inserting in lieu thereof the following:

425.3 VERIFICATION OF CLAIMS FOR HOMESTEAD CREDIT. The assessor shall retain a permanent file of current homestead claims filed in the assessor's office. The assessor shall file a notice of transfer of property for which a claim is filed when notice is received from the office of the county recorder.

The county recorder shall give notice to the assessor of each transfer of title filed in the recorder's office. The notice shall describe the property transferred, the name of the person transferring the title to the property, and the name of the person to whom title to the property has been transferred.

Not later than July 6 of each year, the assessor shall remit the statements and designation of homesteads to the county auditor with the assessor's recommendation for allowance or disallowance. If the assessor recommends disallowance of a claim, the assessor shall submit the reasons for the recommendation, in writing, to the county auditor.

The county auditor shall forward the claims to the board of supervisors. The board shall allow or disallow the claims. If the board disallows a claim, it shall send written notice, by certified mail, to the claimant at the claimant's last known address. The notice shall state the reasons for disallowing the claim for the credit.

Sec. 3. Section 425.6, Code 1981, is amended by striking the section and inserting in lieu thereof the following:

425.6 WAIVER BY NEGLECT. If a person fails to file a claim or to have a claim on file with the assessor for the credits provided in this chapter, the person is deemed to have waived the homestead credit for the year in which the person failed to file the claim or to have a claim on file with the assessor.

Sec. 4. Section 425.7, subsection 3, Code 1981, is amended to read as follows:

3. ~~Should~~ If the director of revenue ~~determine, upon investigation,~~ determines that any claim for homestead credit has been allowed by any board of supervisors which is not justifiable under the law and not substantiated by proper facts, the director may, at any time within twenty-four months from July 1 of the year in which the claim is ~~filed~~ allowed, set aside ~~such~~ the allowance. Notice of ~~such~~ the disallowance shall be given to the county auditor of the county in which ~~such~~ the claim has been improperly granted and a written notice of ~~such~~ the disallowance shall also be addressed to the claimant at ~~his~~ the claimant's last known address. ~~Such~~ The claimant, or the board of supervisors, may seek judicial review of the action of the director of revenue in accordance with the terms of the Iowa administrative procedure Act. In any case where a claim is so disallowed by the director of revenue and ~~no~~ a petition for judicial review is not filed with respect to ~~such~~ the disallowance, any amounts of credits allowed and paid from the homestead credit fund ~~shall~~ including the penalty, if any, become a lien upon the property on which ~~said~~ credit was originally granted, if still in the hands of the claimant, and not in the hands of a bona fide purchaser, and any amount so erroneously paid including the penalty, if any, shall be collected by the county treasurer in the same manner as other taxes and ~~such~~ the collections shall be returned to the department of revenue and credited to the homestead credit fund. The director of revenue ~~shall also have the authority to~~ may institute legal proceedings against a homestead credit claimant for the collection of all payments made on ~~such~~ disallowed credits and the penalty, if any. If a homestead credit is disallowed and the claimant failed to give written notice to the assessor as required by section 425.2 when the property ceased to be used as a homestead by the claimant, a civil penalty equal to fifty percent of the amount of the disallowed credit is assessed against the claimant.

Sec. 5. Section 425.8, unnumbered paragraph 1, Code 1981, is amended to read as follows:

The director of revenue shall prescribe the form for the making of verified statement and designation of homestead, ~~and~~ the form for the supporting affidavits required herein, and such other forms as may be necessary for the proper administration of this chapter. ~~As soon as practicable after the effective date of this chapter, and from time to time thereafter as~~ Whenever necessary, the department of revenue shall forward to the county auditors of the several counties in the state ~~such~~ the prescribed sample forms, and the county auditors shall furnish blank forms prepared in accordance therewith with the assessment rolls, books, and supplies delivered to the assessors. The department of revenue shall prescribe and the county auditors shall provide on the forms for claiming the homestead credit a statement to the effect that the owner realizes that he or she must give written notice to the assessor when the owner changes the use of the property.

Sec. 6. Section 425.11, subsection 1, paragraph a, unnumbered subparagraph 1, Code 1981, is amended by striking the subparagraph and inserting in lieu thereof the following:

The homestead must embrace the dwelling house which the owner, in good faith, is occupying as a home on July 1 of the year for which the credit is claimed, except as herein provided.

Sec. 7. Section 426A.6, Code 1981, is amended to read as follows:

426A.6 SETTING ASIDE ALLOWANCE. ~~Should~~ If the director of revenue ~~determine, upon investigation, determines~~ that any claim for military service tax exemption has been allowed by any board of supervisors which is not justifiable under the law and not substantiated by proper facts, the director may, at any time within twenty-four months from July 1 of the year in which the claim is filed allowed, set aside ~~such the~~ allowance. Notice of ~~such the~~ disallowance shall be given to the county auditor of the county in which ~~such the~~ claim has been improperly granted and a written notice of ~~such the~~ disallowance shall also be addressed to the claimant at ~~his the~~ the claimant's last known address. ~~Such The~~ claimant, or the board of supervisors, may seek judicial review of the action of the director of revenue in accordance with the terms of the Iowa administrative procedure Act. In any case, where a claim is so disallowed by the director of revenue and ~~no a~~ petition for judicial review is not filed with respect to ~~such the~~ disallowance, any amounts of credits allowed and paid from the military service tax credit fund shall become a lien upon the property on which ~~said the~~ credit was originally granted, if still in the hands of the claimant, and not in the hands of a bona fide purchaser, and any amount so erroneously paid shall be collected by the county treasurer in the same manner as other taxes and ~~such the~~ collections shall be returned to the department of revenue and credited to the military service tax credit fund. The director of revenue shall also have the authority to may institute legal proceedings against a military service tax exemption claimant for the collection of all payments made on ~~such~~ disallowed exemptions.

Sec. 8. Section 427.5, Code 1981, is amended by striking the section and inserting in lieu thereof the following:

427.5 CLAIM FOR MILITARY TAX EXEMPTION—DISCHARGE RECORDED. A person named in section 427.3, who is a resident of and domiciled in the state of Iowa, shall receive a reduction equal to the exemption, to be made from any property owned by the person and so designated by proceeding as hereafter provided. In order to be eligible to receive the exemption the person claiming it shall have had recorded in the office of the county recorder of the county in which is located the property designated for the exemption, the military certificate of satisfactory service, order transferring to inactive status, reserve, retirement, or order of separation from service, or honorable discharge of the person claiming or through whom is claimed the exemption. If the evidence of satisfactory service, separation, retirement, furlough to reserve, inactive status, or honorable discharge is lost the claimant may record in lieu thereof a certified copy.

The person shall file with the appropriate assessor on forms obtained from the assessor the claim for exemption for the year for which the person is first claiming the exemption. The claim shall be filed not later than July 1 of the year for which the person is claiming the exemption. The claim shall set out the fact that the person is a resident of and domiciled in the state of Iowa, and a person within the terms of section 427.3, and shall give the volume and page on which the certificate of satisfactory service, order of separation, retirement, furlough to reserve, inactive status, or honorable discharge or certified copy thereof is recorded in the office of the county recorder, and may include the designation of the property from which the exemption is to be made, and shall further state that the claimant is the equitable and legal owner of the property designated.

Upon the filing and allowance of the claim, the claim shall be allowed to that person for successive years without further filing. Provided, that notwithstanding the filing or having on file a claim for exemption, the person or person's spouse is the legal or equitable owner of the property on July 1 of the year for which the claim is allowed. When the property is sold or transferred or the person wishes to designate different property for the exemption, a person who wishes to receive the exemption shall refile for the exemption. A person who sells or transfers property which is designated for the exemption or the personal representative of a deceased person who owned such property shall provide written notice to the assessor that the property is no longer legally or equitably owned by the former claimant.

In case the owner of the property is in active service in any of the armed forces of the United States or of this state, including the nurses corps of the state or of the United States, or is sixty-five years of age or older, or is disabled, the claim may be filed by any member of the owner's family, by the owner's guardian or conservator, or by any other person who may represent the owner under power of attorney. In all cases where the owner of the property is married, the spouse may file the claim for exemption. A person may not claim an exemption in more than one county of the state, and if a designation is not made the exemption shall apply to the homestead, if any.

Sec. 9. Section 427.6, unnumbered paragraph 1, Code 1981, is amended by striking the paragraph and inserting in lieu thereof the following:

The assessor shall retain a permanent file of current military service tax exemption claims filed in the assessor's office. The assessor shall file a notice of transfer of property for which a claim is filed when notice is received from the office of the county recorder, from the person who sold or transferred the property, or from the personal representative of a deceased claimant.

The county recorder shall give notice to the assessor of each transfer of title filed in the recorder's office. The notice shall describe the property transferred, the name of the person transferring the title to the property, and the name of the person to whom title to the property has been transferred.

Not later than July 6 of each year, the assessor shall remit the claims and designations of property to the county auditor with the assessor's recommendation for allowance or disallowance. If the assessor recommends disallowance of a claim, the assessor shall submit the reasons for the recommendation, in writing, to the county auditor.

The county auditor shall forward the claims to the board of supervisors. The board shall allow or disallow the claims. If the board disallows a claim, it shall send written notice, by certified mail, to the claimant at the claimant's last known address. The notice shall state the reasons for disallowing the claim for the exemption.

Sec. 10. A claim for the homestead tax credit or the military service tax exemption for the fiscal year beginning on July 1 following the effective date of this Act shall not be allowed unless the claim for the homestead tax credit or the military service tax exemption is filed between January 1 and July 1 of the calendar year following enactment of this Act. Upon receipt of an application for a claim for homestead tax credit or military service tax exemption for the fiscal year beginning on July 1 following the effective date of this Act, the assessor shall provide written material as prescribed by the department of revenue on the requirements of the claimant under this Act and other information deemed by the department to be needed by the claimant in carrying out the claimant's responsibilities under this Act. The material shall provide notice that the claimant or personal representative of the claimant will be subject to a civil penalty for failure to provide the assessor with written notice of the occurrence of certain events. These events shall be specified in the material presented to the claimant.

Sec. 11. This Act takes effect January 1 following its enactment.

Approved May 22, 1982

CHAPTER 1247

STATE PROPERTY TAX NATURAL RESOURCE EXEMPTIONS AND ASSESSMENTS

H.F. 2351

AN ACT relating to property tax by providing for exemptions for wetlands, recreational lakes, forest cover, forest reservations, rivers and streams, river and stream banks, wildlife habitats, native prairies, and open prairies, increasing the amount of acres to be exempted for certain organizations, and increasing the assessed value of fruit-tree and forest reservations.

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

Section 1. Section 427.1, subsection 9, Code 1981, is amended to read as follows:

9. Property of religious, literary, and charitable societies. All grounds and buildings used or under construction by literary, scientific, charitable, benevolent, agricultural, and religious institutions and societies solely for their appropriate objects, not exceeding three hundred twenty acres in extent and not leased or otherwise used or under construction with a view to pecuniary profit. However, an organization mentioned in this subsection whose primary objective is to preserve land in its natural state may own or lease land not exceeding three hundred twenty acres in each county for its appropriate objects. All deeds or leases by which such property is held shall be filed for record before the property herein described shall be omitted from the assessment. All such property shall be listed upon the tax rolls of the district or districts in which it is located and shall have ascribed to it an actual fair market value and an assessed or taxable value, as contemplated by section 441.21, whether such property be subject to a levy or be exempted as herein provided and such information shall be open to public inspection.

Sec. 2. Section 427.1, Code 1981, is amended by adding the following new subsections:

NEW SUBSECTION. Wetlands, recreational lakes, forest covers, forest reservations, rivers and streams, river and stream banks, and open prairies as designated by the board of supervisors of the county in which located. The board of supervisors shall annually designate the real property, not to exceed in the aggregate for the fiscal year beginning July 1, 1983 the greater of one percent of the acres assessed as agricultural land or three thousand acres in each county, for which this exemption shall apply. For subsequent fiscal years, the limitation on the maximum acreage of real property that may be granted exemptions shall be the limitation for the previous fiscal year, unless the amount of acreage granted exemptions for the previous fiscal year equaled the limitation for that year, then the limitation for the subsequent fiscal year is the limitation for the previous fiscal year plus an increase, not to exceed three hundred acres, of ten percent of that limitation. However, the board of supervisors shall grant a tax exemption to a tract of land if it fulfills the conditions of sections 161.1 to 161.13 for a forest reservation. The acreage granted this exemption for a forest reservation shall not be