

Stamp - Means 4/17

SENATE FILE 2243

Ways and Means  
Rodgers, Chairperson  
Nighting  
Curtis  
Kelly  
Van Gilst

FILED APR 18 1978

SENATE FILE 2243

By BISENIUS

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

### A BILL FOR

1 An Act to provide for the postponement of property taxes  
2 on the homestead of persons sixty-five or older,  
3 providing penalties and making an appropriation.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Chapter four hundred twenty-five (425), Code  
2 1977, is amended by adding sections two (2) through six (6)  
3 of this Act as a separate division.

4 Sec. 2. NEW SECTION. OPTIONAL PROPERTY TAX RELIEF. In  
5 addition to the homestead tax credit allowed under section  
6 four hundred twenty-five point one (425.1), subsections one  
7 (1) through four (4) of the Code and as an alternative to  
8 the extraordinary property tax reimbursement allowed under  
9 sections four hundred twenty-five point sixteen (425.16)  
10 through four hundred twenty-five point thirty-nine (425.39)  
11 of the Code, an owner as defined in subsection two (2) of  
12 section four hundred twenty-five point eleven (425.11) of  
13 the Code who meets the qualifications specified in section  
14 three (3) of this Act is eligible to have property taxes  
15 postponed until the property ceases to be the homestead of  
16 the owner.

17 Sec. 3. NEW SECTION. QUALIFYING FOR POSTPONEMENT--  
18 APPLICABLE STATUTES. A person qualifying for the homestead  
19 tax credit under section four hundred twenty-five point two  
20 (425.2) of the Code may file to have property taxes, excluding  
21 any special assessments, on that homestead postponed. A  
22 person shall be eligible to file for such postponement if  
23 that person will be sixty-five years of age or older during  
24 the year for which the homestead tax credit shall apply.  
25 That person shall file before July first of the year in which  
26 he or she files for the homestead tax credit. All provisions  
27 of this chapter applicable to the homestead tax credit, not  
28 inconsistent with the intent and provisions of this Act, shall  
29 apply to the postponement of property taxes provided pursuant  
30 to this Act.

31 Sec. 4. NEW SECTION. PAYMENT OF POSTPONED TAXES. The  
32 director of revenue shall request the state comptroller to  
33 issue warrants on the optional property tax relief fund to  
34 the county treasurers for the amount of property taxes certified  
35 by the county treasurers to be postponed. The allocations

1 from this fund shall be made semiannually on the due dates  
2 of the property taxes postponed. The county treasurers  
3 receiving funds under this section shall apportion them to  
4 the several taxing districts in the same manner as if the  
5 moneys received had been paid by the owners; however, the  
6 several taxing districts shall not be permitted to draw the  
7 funds so apportioned until after the semiannually allocations  
8 are received by the county treasurer.

9     Sec. 5. NEW SECTION. LIEN--RECAPTURE. There shall attach  
10 in favor of the state a tax lien on the property for which  
11 any payment from the state general fund has been made because  
12 of the postponement of the property taxes under this Act.  
13 The lien shall attach at the time and be in the amount of  
14 the payment made to the county treasurer under this Act.  
15 The county treasurer upon receipt of the payment shall cause  
16 to be listed on the property tax list the fact of the existence  
17 of and the amount of the lien. The lien shall continue to  
18 be listed each year on the tax list in the same manner in  
19 which delinquent taxes are listed.

20     The department shall enforce the lien for recapture of  
21 payments made by the state because of the postponement of  
22 the property taxes under this Act only after the property  
23 ceases to be the homestead of the person whose property taxes  
24 were postponed, except that the lien shall be extended and  
25 not enforced if the property is transferred to the surviving  
26 spouse who claims the property as his or her homestead. In  
27 the case of the extension of the lien for the surviving spouse,  
28 the lien shall be enforced only after the property ceases  
29 to be the homestead of the surviving spouse.

30     Interest shall be computed and collected on any property  
31 taxes postponed under this Act at the rate of one-half of  
32 one percent per month or fraction thereof on the amount of  
33 property taxes postponed and still owing. This interest shall  
34 be collected at the same time the lien is enforced.

35     All moneys, including interest, obtained as a result of

1 the enforcement of any liens under this section shall be  
2 deposited in the general fund of the state.

3 Sec. 6. NEW SECTION. FUND CREATED--APPROPRIATION. There  
4 is appropriated annually from the general fund of the state  
5 to the department of revenue to be credited to the optional  
6 property tax relief fund, which is hereby created, from funds  
7 not otherwise appropriated, an amount sufficient to carry  
8 out the provisions of this division.

9 Sec. 7. This Act is effective January 1, 1979.

10 EXPLANATION

11 This bill permits persons 65 or older to have postponed  
12 the property taxes on their homesteads until the time in which  
13 such property ceases to be their homestead. The state shall  
14 pay to the local taxing districts the amount of taxes postponed  
15 and a lien shall attach in an ammount equal to the postponed  
16 taxes. This lien shall be enforced only after the property  
17 ceases to be the homestead of the person or that person's  
18 surviving spouse. Interest is imposed at the rate of 6 percent  
19 a year.

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