

Reprinted 5/4

SENATE FILE 495

By COMMITTEE ON WAYS AND MEANS
Approved 4/24 (p. 13 00)

FILED APR 24 1979

Passed Senate, Date 5-2-79 (p. 1540) Passed House, Date _____
Vote: Ayes 47 Nays 0 Vote: Ayes _____ Nays _____
Approved June 4, 1979

A BILL FOR

1 An Act relating to additional property tax relief for persons
2 sixty-five years of age or older, surviving spouses fifty-
3 five years of age or older and persons totally disabled
4 by reducing the semiannual mobile home tax rate and by
5 altering the reimbursement schedule for claims for reim-
6 bursement of property taxes paid or rent constituting
7 property taxes paid, extending the deadline for filing
8 for the reimbursement and making clarifying provisions.

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

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1 Section 1. Section one hundred thirty-five D point twenty-
2 two (135D.22), subsection two (2), Code 1979, is amended by
3 striking the subsection and inserting in lieu thereof the
4 following:

5 2. If the owner of the mobile home was totally disabled,
6 as defined in section four hundred twenty-five point seventeen
7 (425.17), subsection six (6) of the Code on or before December
8 thirty-first of the base year, is a surviving spouse having
9 attained the age of fifty-five years on or before December
10 thirty-first of the base year or has attained the age of
11 sixty-five years on or before December thirty-first of the
12 base year and has an income when included with that of a
13 spouse which is less than four thousand dollars per year,
14 no semiannual tax shall be imposed on the mobile home. If
15 the income is four thousand dollars or more but less than
16 ten thousand dollars, the semiannual tax shall be computed
17 as follows:

18	If the Household	Semiannual Tax Per
19	<u>Income is:</u>	<u>Square Foot</u>
20	\$4,000 - 4,999.99	1.5 cents
21	5,000 - 5,999.99	4.0
22	6,000 - 6,999.99	6.0
23	7,000 - 7,999.99	7.0
24	8,000 - 8,999.99	7.5
25	9,000 - 9,999.99	8.0

26 For purposes of this subsection "income" means income as
27 defined in section four hundred twenty-five point seventeen
28 (425.17), subsection one (1), of the Code and "base year"
29 means the calendar year preceding the year in which the claim
30 for a reduced rate of tax is filed. The mobile home reduced
31 rate of tax shall only be allowed on the mobile home in which
32 the claimant is residing at the time in which the claim for
33 a reduced rate of tax is filed.

34 Sec. 2. Section four hundred twenty-five point sixteen
35 (425.16), Code 1979, is amended to read as follows:

1 425.16 ADDITIONAL TAX CREDIT. In addition to the homestead
2 tax credit allowed under section 425.1, subsections 1 to 4,
3 persons who own or rent their homesteads and who meet the
4 qualifications provided in this division are eligible for
5 an extraordinary property tax reimbursement payable in
6 September-of-any-year.

7 Sec. 3. Section four hundred twenty-five point seventeen
8 (425.17), subsection five (5), Code 1979, is amended to read
9 as follows:

10 5. "Claimant" means a person filing a claim for
11 reimbursement under this division who has attained the age
12 of sixty-five years on or before December 31 thirty-first
13 of the base year or who is a surviving spouse having attained
14 the age of fifty-five years on or before December 31 thirty-
15 first of the base year, or who is totally disabled and was
16 totally disabled on or before December 31 thirty-first of
17 the base year, and was domiciled in this state during the
18 entire base year and is domiciled in this state at the time
19 the claim is filed. "Claimant" includes a vendee in possession
20 under a contract for deed and may include one or more joint
21 tenants or tenants in common. In the case of a claim for
22 rent constituting property taxes paid, the claimant shall
23 have rented the property during any part of the base year.
24 ~~When two persons of a household are able to meet the~~
25 ~~qualifications for a claimant, they may determine between~~
26 ~~them who will be the claimant. If they are unable to agree,~~
27 ~~the matter shall be referred to the director of revenue not~~
28 ~~later than July 31 of each year and his decision shall be~~
29 ~~final.~~ If a homestead is occupied by two or more persons,
30 and more than one person is able to qualify as a claimant,
31 ~~and some or all of the qualified persons are not related,~~
32 the persons may determine among them who will be the claimant.
33 If they are unable to agree, the matter shall be referred
34 to the director of revenue not later than July 31 October
35 thirty-first of each year and ~~his~~ the director's decision

1 shall be final.

2 Sec. 4. Section four hundred twenty-five point nineteen
3 (425.19), Code 1979, is amended to read as follows:

4 425.19 CLAIM AND REIMBURSEMENT. Subject to the limitations
5 provided in this division, a claimant may annually claim a
6 reimbursement for property taxes paid or rent constituting
7 property taxes paid in the base year. The amount of the
8 reimbursement ~~for property taxes paid for a homestead~~, after
9 audit or certification by the director, shall be paid to the
10 claimant ~~and the amount of the reimbursement for rent~~
11 ~~constituting property taxes paid shall be paid to the claimant~~
12 from the state general fund on or before ~~September 25~~ December
13 thirty-first of each year ~~commencing in 1974~~. However, the
14 claimant for reimbursement for property taxes paid may
15 designate on the claim at the time it is filed that the check
16 for reimbursement for property taxes paid be made payable
17 to the claimant and the county treasurer of the county in
18 which the homestead is located.

19 Sec. 5. Section four hundred twenty-five point twenty
20 (425.20), Code 1979, is amended to read as follows:

21 425.20 FILING DATE. A claim for reimbursement for property
22 taxes paid or rent constituting property taxes paid shall
23 not be paid or allowed, unless the claim is actually filed
24 with and in the possession of the department of revenue on
25 or before ~~July 31~~ October thirty-first of the year following
26 the base year, ~~beginning July 31, 1974~~.

27 In case of sickness, absence, or other disability of the
28 claimant or if, in the judgment of the director of revenue,
29 good cause exists and the claimant requests an extension prior
30 to ~~August 1~~ November first, the director may extend the time
31 for filing a claim for reimbursement for a period not to
32 exceed ~~three~~ two months. ~~The director may also extend the~~
33 ~~time for filing for all claimants or for any reasonable group~~
34 ~~or class of claimants for a period not to exceed three months~~
35 ~~if, in his judgment, good cause exists.~~

1 Sec. 6. Section four hundred twenty-five point twenty-
2 three (425.23), subsection one (1), paragraph a, Code 1979,
3 is amended by striking the paragraph and inserting in lieu
4 thereof the following:

5 a. The amount shall be determined in accordance with the
6 following schedule:

7		
8		Percent of property taxes
9		paid or rent constituting
10		property taxes paid to be
11	If the household	used in computing reim-
12	income is:	bursement:
13	\$ 0 -- 3,999.99	100%
14	4,000 -- 4,999.99	85
15	5,000 -- 5,999.99	60
16	6,000 -- 6,999.99	40
17	7,000 -- 7,999.99	30
18	8,000 -- 8,999.99	25
19	9,000 -- 9,999.99	20

20 Sec. 7. Section four hundred twenty-five point twenty-
21 seven (425.27), Code 1979, is amended to read as follows:

22 425.27 AUDIT OF CLAIM. If on the audit of any claim
23 for reimbursement under this division, the director determines
24 the amount of the claim to have been incorrectly calculated
25 or that the claim is not allowable, he the director shall
26 recalculate the claim and notify the claimant of the
27 recalculation or denial and his the reasons for it. The
28 director shall not adjust any claim after three years from
29 July-31 October thirty-first of the year in which the claim
30 was filed. If the claim for reimbursement has been paid,
31 the amount may be recovered by assessment in the same manner
32 that income taxes are assessed under sections 422.26 and
33 422.30. The recalculation of the claim shall be final unless
34 appealed as provided in section 425.31. The provisions of
35 section 422.70 shall be applicable with respect to this

1 division.

2 Sec. 8. This Act is effective January first following
3 its enactment.

4 EXPLANATION

5 The bill provides for a reduction in the semi-annual mobile
6 home tax rate for persons 65 or older, surviving spouses 55
7 or older and persons totally disabled. Those with incomes
8 of less than \$4000 pay no tax while those with incomes between
9 \$4000 and \$10,000 pay a rate which varies from a low of 1.5
10 cents per square foot to 8.0 cents per square foot.

11 This bill requires the filing by November first of a claim
12 by the elderly and disabled for reimbursement for property
13 taxes paid or rent constituting property taxes paid whereas
14 the current law requires the filing by August first. The
15 schedule used to determine the amount of reimbursement is
16 altered to allow those with incomes of less than \$4000 to
17 use 100% of the property taxes paid or rent constituting
18 property taxes paid in computing the amount of the
19 reimbursement whereas current law limits this to those with
20 incomes of less than \$2000.

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SENATE FILE 495
FISCAL NOTE

Date: APRIL 24, 1979
REQUESTED BY: SENATOR HULTMAN

In compliance with a written request received April 24, 1979, there is hereby submitted a Fiscal Note for Senate File 495 pursuant to Joint Rule 16. Background information used in developing this Fiscal Note is available from the Legislative Fiscal Bureau, to members of the Legislature upon request.

Senate File 495, An Act relating to additional property tax relief for persons sixty-five years of age or older, surviving spouses fifty-five years of age or older and persons totally disabled by reducing the semiannual mobile home tax rate and by altering the reimbursement schedule for claims for reimbursement of property taxes paid or rent constituting property taxes paid, extending the deadline for filing for the reimbursement and making clarifying provisions.

Senate File 495 provides additional tax relief for three groups of elderly people: those owning homes and paying property tax, those paying property tax indirectly through rental payments, and those paying mobile home tax.

The additional reimbursement of property tax to home owners and renters is expected to cost \$2.8 million. An exact estimate of the additional reimbursement cost for mobile home tax is not available. The current cost of that program is \$200,000. It is expected that the additional cost will be less than 50 percent or \$100,000.

SOURCE: IOWA DEPARTMENT OF REVENUE

FILED
APRIL 26, 1979

BY GERRY S. RANKIN, DIRECTOR
LEGISLATIVE FISCAL BUREAU

SENATE FILE 495
FISCAL NOTE

DATE: May 3, 1979
REQUESTED BY: SENATOR READINGER

In compliance with a written request received May 1, 1979, there is hereby submitted a Fiscal Note for S.F. 495, Amend. S-3673 pursuant to Joint Rule 16. Background information used in developing this Fiscal Note is available from the Legislative Fiscal Bureau, to members of the Legislature upon request.

Amendment S-3673 to Amendment S-3672 to Senate File 495

S-3673 relates to the reimbursement schedule for the elderly tax credit. The schedule contained in S-3673 is identical to the that contained in Senate File 495, thus the effect of S-3673 is the same as Senate File 495. The proposed schedule would increase current program costs by \$2.8 million.

SOURCE: DEPARTMENT OF REVENUE

FILED
MAY 3, 1979

BY GERRY S. RANKIN, DIRECTOR
LEGISLATIVE FISCAL BUREAU

SENATE 2
MAY 4, 1979

SENATE FILE 495
FISCAL NOTE

DATE: MAY 3, 1979
REQUESTED BY: SENATOR READINGER

In compliance with a written request received May 1, 19 79, there is hereby submitted a Fiscal Note for S.F. 495, Amend. S-3672 pursuant to Joint Rule 16. Background information used in developing this Fiscal Note is available from the Legislative Fiscal Bureau, to members of the Legislature upon request.

Amendment S-3672 to Senate File 495

S-3672 provides that the current property tax reimbursement program for elderly property owners would be changed to a direct tax credit program. The change to a credit program will have three main fiscal effects:

1. The state cost of the elderly property tax relief program could be increased by \$3 million to \$5 million during fiscal 1980. The increase arises due to the timing of payments under the current and S-3672 program. Currently, elderly property owners and renters claims are processed and paid during the calendar year. Thus reimbursements during one fiscal year represent claims during two different calendar years. If S-3672 were enacted effective July 1, 1979, during fiscal 1980 ending June 30, 1980, the state would be incurring expenditures for a portion of claims filed for 1979 taxes as well as 100 percent of costs associated with 1980 property taxes. A more exact fiscal impact to the state could be provided if more time were allocated.
2. The proposed program will also have a significant fiscal impact on the county cost of administration. S-3672 requires the counties provide much more direct administration while under the current program the counties provide only indirect assistance to claimants. The total additional impact on local governments cannot be specifically estimated, but are not expected to be minimal.
3. While certain processing costs of the Department of Revenue may be decreased, the state will continue to incur costs of administering the renters' program and of verifying property owner claims submitted by the counties. Thus it is not expected that the department's administrative cost will be significantly reduced.

SOURCE: DEPARTMENT OF REVENUE BY GERRY RANKIN, DIRECTOR
LEGISLATIVE FISCAL BUREAU

FILED : MAY 3, 1979

SENATE FILE 495

S-3672

1 Amend Senate File 495 as follows:

2 1. Page 2, line 5, by inserting after the word
3 "tax" the words "credit or".

4 2. Page 2, line 8, by striking the word
5 "subsection" and inserting in lieu thereof the word
6 "subsections".

7 3. Page 2, line 8, by inserting after the figure
8 "(5)," the words and figures "nine (9), ten (10) and
9 eleven (11),".

10 4. Page 2, line 10, by inserting after the word
11 "for" the words "credit or".

12 5. Page 3, by inserting after line 1 the following:

13 "9. "Property taxes paid due" means property taxes
14 including any special assessments, but exclusive of
15 delinquent interest and charges for services, paid
16 due on a claimant's homestead in this state, but
17 includes only property taxes for which the claimant
18 was is liable and which were will actually be paid
19 by the claimant. ~~If the property taxes have actually~~
20 ~~been paid, they shall be deemed to have been paid~~
21 ~~when due, regardless of the date of actual payment.~~
22 "Property taxes paid due" shall be computed with no
23 deduction for any credit under this division or for
24 any homestead credit allowed under section 425.1.
25 Each claim shall be based upon the taxes paid due
26 during the fiscal year next following the base year.
27 If a homestead is owned by two or more persons as
28 joint tenants or tenants in common, and one or more
29 persons are not a member of claimant's household,
30 "property taxes paid due" is that part of property
31 taxes paid due on the homestead which equals the
32 ownership percentage of the claimant and his or her
33 household. The county treasurer shall include with
34 the tax receipt a statement that if the owner of the
35 property is sixty-five years of age or over or is
36 totally disabled, or is a surviving spouse of such
37 person who is over the age of fifty-five years of
38 age, the person may be eligible for the credit allowed
39 under this division. ~~If a claimant changes his or~~
40 ~~her homestead, this shall not prevent him or her from~~
41 ~~filing a claim based on property taxes for which the~~
42 ~~claimant was liable and which were actually paid by~~
43 ~~the claimant, but duplication of claims shall not~~
44 ~~be allowed.~~ If a homestead is an integral part of
45 a farm, the claimant may use the total property taxes
46 paid due for the larger unit, but not exceeding forty
47 acres of land. If a homestead is an integral part
48 of a multidwelling or multipurpose building the
49 property taxes paid due for the purpose of this
50 subsection shall be prorated to reflect the portion

1 which the value of the property that the household
2 occupies as its homestead is to the value of the
3 entire structure. For purposes of this subsection,
4 "unit" refers to that parcel of property covered by
5 a single tax statement of which the homestead is a
6 part.

7 10. "Special assessment" means special assessments
8 made pursuant to sections 384.37 to 384.79. The
9 amount of a special assessment which may be included
10 in the amount of property taxes paid due for one year
11 shall be an amount equal to one-tenth of the total
12 amount of the special assessment levied against the
13 homestead of the claimant, if the claimant elected
14 elects to pay the total amount of the special
15 assessment in one payment. If the claimant elects
16 to pay the special assessment in ten annual
17 installments as provided by law, the claimant may
18 include as a portion of the property taxes paid due
19 during the fiscal year next following the base year
20 an amount equal to the special assessment, including
21 interest, paid due during that same base fiscal year.

22 11. "Base year" means:

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

26 b. For a claimant filing a claim for property
27 taxes paid due, the state fiscal year ending in the
28 calendar year in which the claim is filed.

29 Sec. ____ . Section four hundred twenty-five point
30 eighteen (425.18), Code 1979, is amended to read as
31 follows:

32 425.18 CLAIM IS PERSONAL. The right to file a
33 claim under this division shall be personal to the
34 claimant and shall not survive the claimant's death,
35 but the right may be exercised on behalf of a claimant
36 by his or her legal guardian, spouse or attorney.
37 If a claimant dies after having filed a claim for
38 reimbursement for rent constituting property taxes
39 paid, the amount of the reimbursement may be paid
40 to another member of the household as determined by
41 the director. If the claimant was the only member
42 of the household, the reimbursement may be paid to
43 the claimant's executor or administrator, but if
44 neither is appointed and qualified within one year
45 from the date of the filing of the claim, the
46 reimbursement shall escheat to the state. If a
47 claimant dies after having filed a claim for credit
48 for property taxes due, the amount of credit shall
49 be paid as if the claimant had not died."

50 6. Page 3, line 4, by inserting after the word

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1 "AND" the words "CREDIT OR".

2 7. Page 3, line 6, by striking the word
3 "reimbursement" and inserting in lieu thereof the
4 words "reimbursement credit".

5 8. Page 3, line 6, by striking the words "paid
6 or" and inserting in lieu thereof the words "paid
7 due during the fiscal year next following the base
8 year or claim a reimbursement for".

9 9. Page 3, by striking lines 8 through 18 and
10 inserting in lieu thereof the following: "reimbursement
11 credit for property taxes paid due for a homestead,
12 ~~after-audit-or-certification-by-the-director,~~ shall
13 be paid within one hundred eighty days after receipt
14 of the claim by the director to the county treasurer
15 who shall credit the money received against the amount
16 of the property taxes due and payable on the homestead
17 of the claimant and the amount of the reimbursement
18 for rent constituting property taxes paid shall be
19 paid to the claimant from the state general fund on
20 or-before-September-25 December thirty-first of each
21 year commencing in 1974. -- However, the claimant for
22 reimbursement for property taxes paid may designate
23 on the claim at the time it is filed that the check
24 for reimbursement for property taxes paid be made
25 payable to the claimant and the county treasurer of
26 the county in which the homestead is located."

27 10. Page 3, lines 21 and 22, by striking the words
28 "property taxes paid or" and inserting in lieu thereof
29 the words "property taxes paid or".

30 11. Page 3, by inserting after line 26 the
31 following:

32 "A claim for credit for property taxes due shall
33 not be paid or allowed unless the claim is actually
34 filed with the county treasurer on or before September
35 thirtieth of the fiscal year during which the property
36 taxes are due and contains an affidavit of the
37 claimant's intent to occupy the homestead for six
38 months or more during the fiscal year for which the
39 claim is filed. The county treasurer shall submit
40 the claim to the director of revenue on or before
41 October fifteenth of each year."

42 12. Page 3, line 31, by inserting after the word
43 "reimbursement" the words "or credit".

44 13. Page 3, by inserting after line 35 the
45 following:

46 "Sec. ____ . Section four hundred twenty-five point
47 twenty-one (425.21), Code 1979, is amended to read
48 as follows:

49 425.21 SATISFACTION OF OUTSTANDING TAX LIABILITIES.
50 The amount of any claim for credit or reimbursement

1 payable under this division may be applied by the
2 department of revenue against any tax liability
3 outstanding on the books of the department against
4 the claimant, or against a spouse who was a member
5 of the claimant's household in the base year.

6 Sec. _____. Section four hundred twenty-five point
7 twenty-two (425.22), Code 1979, is amended to read
8 as follows:

9 425.22 ONE CLAIMANT PER HOUSEHOLD. Only one
10 claimant per household per year shall be entitled
11 to reimbursement under this division and only one
12 claimant per household per fiscal year shall be
13 entitled to a credit under this division."

14 14. Page 4, by striking lines 1 through 4 and
15 inserting in lieu thereof the following:

16 "Sec. _____. Section four hundred twenty-five point
17 twenty-three (425.23), Code 1979, is amended to read
18 as follows:

19 425.23 SCHEDULE FOR CLAIMS FOR CREDIT OR
20 REIMBURSEMENT. The amount of any claim for credit
21 or reimbursement filed under this division shall be
22 determined as provided in this section.

23 1. The tentative credit or reimbursement shall
24 be the higher of the two amounts determined as
25 follows:".

26 15. Page 4, line 9, by striking the word "paid"
27 and inserting in lieu thereof the words "paid due".

28 16. Page 4, line 11, by inserting after the word
29 "computing" the words "credit or".

30 17. Page 4, by inserting after line 19 the
31 following:

32 "b. If the claim is for property taxes paid due
33 and the household income of the claimant is less than
34 four thousand dollars, the alternative tentative
35 reimbursement credit shall be one hundred twenty-five
36 dollars, but not to exceed the amount of property
37 taxes paid due during the fiscal year next following
38 the base year.

39 2. The actual reimbursement credit for property
40 taxes paid due shall be determined by subtracting
41 from the tentative reimbursement credit the amount
42 of the homestead credit under section 425.1 which
43 was is allowed as a credit against property taxes
44 paid due in the fiscal year next following the base
45 year by the claimant or any person of his the
46 claimant's household, except that the credit shall
47 not exceed two-thirds of the amount of the credit
48 received on the homestead in the extended fiscal year
49 beginning January 1, 1974, and ending June 30, 1975.
50 If the subtraction produces a negative amount, there

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1 shall be no reimbursement credit but no refund shall
2 be required. The actual reimbursement for rent
3 constituting property taxes paid shall be equal to
4 the tentative reimbursement.

5 3. Any person who is eligible to file a claim
6 for reimbursement credit for property taxes paid due
7 and who has a household income of five thousand dollars
8 or less and who has a special assessment levied against
9 the homestead may file a claim with the county
10 treasurer that the claimant had a household income
11 of five thousand dollars or less ~~during-the-base-year~~
12 and that a special assessment is presently levied
13 against the homestead. The department shall provide
14 to the respective county treasurers such forms as
15 are necessary for the administration of this
16 subsection. The claim shall be filed not later than
17 September 30 thirtieth of each year. Upon the filing
18 of the claim, no penalty or interest for late payment
19 shall accrue against the amount of the special
20 assessment due and payable. The claim filed by the
21 claimant shall constitute a claim for reimbursement
22 credit of an amount equal to the actual amount due
23 and payable upon the special assessment payable during
24 the fiscal year against the homestead of the claimant
25 or an amount equal to the annual payment of the special
26 assessment levied against the homestead of the claimant
27 and payable in annual installments through the period
28 of years provided by the governing body of the city,
29 whichever is less. The department of revenue shall,
30 upon the filing of the claim with the department by
31 the county treasurer, pay that amount of the special
32 assessment during the current fiscal year to the
33 county treasurer. The county treasurer shall submit
34 the claims to the director of revenue not later than
35 October 15 fifteenth of each year. The director of
36 revenue shall certify to the state comptroller the
37 amount of reimbursement due each county for special
38 assessment credits allowed under this subsection.
39 The amount of reimbursement due each county shall
40 be paid by the state comptroller on November 15
41 fifteenth of each year, drawn upon warrants payable
42 to the respective county treasurer. There is
43 appropriated annually from the general fund of the
44 state to the department of revenue an amount sufficient
45 to carry out the provisions of this subsection. The
46 county treasurer shall credit any moneys received
47 from the department against the amount of the special
48 assessment due and payable on the homestead of the
49 claimant.

50 Sec. ____ . Section four hundred twenty-five point

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1 twenty-four (425.24), Code 1979, is amended to read
2 as follows:
3 425.24 MAXIMUM PROPERTY TAX. In any case in which
4 property taxes paid due or rent constituting property
5 taxes paid ~~in any base year~~ for any household exceeds
6 one thousand dollars, the amount of property taxes
7 paid due or rent constituting property taxes paid
8 shall be deemed to have been one thousand dollars
9 for purposes of this division.

10 Sec. _____. Section four hundred twenty-five point
11 twenty-five (425.25), Code 1979, is amended to read
12 as follows:

13 425.25 ADMINISTRATION. The director of revenue
14 shall make available suitable forms with instructions
15 for claimants. Each assessor and county treasurer
16 shall make available the forms and instructions.
17 The claim shall be in such form as the director may
18 prescribe. The director may also devise a tax credit
19 or reimbursement table, with amounts rounded to the
20 nearest whole dollar. Reimbursements or credits in
21 the amount of less than one dollar shall not be paid.

22 Sec. _____. Section four hundred twenty-five point
23 twenty-six (425.26), subsections two (2), three (3),
24 eight (8), and nine (9), Code 1979, are amended to
25 read as follows:

26 2. Property taxes paid due or rent constituting
27 property taxes paid, including the portion of gross
28 rent paid for providing utilities, services, furniture,
29 furnishings, and personal property appliances, and
30 the name and address of the owner or manager of the
31 property rented and a statement whether the claimant
32 is related by blood, marriage or adoption to the owner
33 or manager of the property rented;

34 3. Homestead credit allowed against property taxes
35 paid due;

36 8. A statement that the property taxes paid due
37 and used for purposes of this division have been or
38 will be paid by him the claimant, and that there are
39 no delinquent property taxes on the homestead.

40 9. Any information needed to determine whether
41 the claimant is eligible for the alternative
42 reimbursement credit under section 425.23, subsection
43 1, paragraph "b".

44 18. Page 4, line 23, by inserting after the word
45 "for" the words "credit or".

46 19. Page 4, line 33, by inserting after the figure
47 "422.30." the following: "If the claim for credit
48 has been paid, the county treasurer shall repay the
49 amount to the director and after notification to the
50 claimant of the recalculation or denial of the claim,

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1 the county treasurer shall proceed to collect the
2 tax owed in the same manner as other property taxes
3 due and payable are collected."

4 20. Page 5, by striking lines 2 and 3 and inserting
5 in lieu thereof the following:

6 "Sec. _____. Section four hundred twenty-five point
7 twenty-nine (425.29), Code 1979, is amended to read
8 as follows:

9 425.29 FALSE CLAIM--PENALTY. Any person making
10 a false affidavit for the purpose of obtaining credit
11 or reimbursement provided for in this division or
12 who knowingly receives the credit or reimbursement
13 without being legally entitled to it or makes claim
14 for the credit or reimbursement in more than one
15 county in the state shall be guilty of a simple
16 misdemeanor. An action under this section shall be
17 brought in the county in which the affidavit was
18 filed. The claim for credit or reimbursement shall
19 be disallowed in full and if the claim has been paid
20 the amount may-be-recovered-by-assessment-in-the
21 manner-that-income-taxes-are-assessed-pursuant-to
22 sections-422-26-and-422-30 shall be recovered in the
23 manner provided in section four hundred twenty-five
24 point twenty-seven (425.27) of the Code. The director
25 of revenue shall send a notice of disallowance of
26 the claim.

27 Sec. _____. Section four hundred twenty-five point
28 thirty-two (425.32), Code 1979, is amended to read
29 as follows:

30 425.32 DISALLOWANCE OF CERTAIN CLAIMS. A claim
31 for reimbursement credit shall be disallowed if the
32 department finds that the claimant or a person of
33 his the claimant's household received title to his
34 the homestead primarily for the purpose of receiving
35 benefits under this division.

36 Sec. _____. Section four hundred twenty-five point
37 thirty-nine (425.39), Code 1979, is amended to read
38 as follows:

39 425.39 FUND CREATED--APPROPRIATION. There is
40 appropriated annually from the general fund of the
41 state to the department of revenue to be credited
42 to the extraordinary property tax credit and
43 reimbursement fund, which fund is hereby created,
44 from funds not otherwise appropriated, an amount
45 sufficient to carry out the provisions of this
46 division.

47 Sec. _____. Section four hundred twenty-five point
48 thirty-eight (425.38), Code 1979, is repealed.

49 Sec. _____. Notwithstanding any provision of this
50 Act, the right to file a claim for reimbursement for

1 property taxes paid in the fiscal year ending in the
 2 1979 calendar year under sections four hundred twenty-
 3 five point sixteen (425.16) to four hundred twenty-
 4 five point thirty-nine (425.39) of the Code is not
 5 abridged and the procedures for filing the claim for
 6 reimbursement, the verification of the claim, the
 7 determination of the amount of the claim and the
 8 payment of the claim shall be as specified under
 9 sections four hundred twenty-five point sixteen
 10 (425.16) to four hundred twenty-five point thirty-
 11 nine (425.39) of the Code before the effective date
 12 of this Act. A person filing a claim for reimbursement
 13 for property taxes paid in the fiscal year ending
 14 in the 1979 calendar year is not precluded from filing
 15 a claim for credit for property taxes due under the
 16 provisions of this Act.

17 Sec. _____. This Act is effective July 31, 1979."

18 21. Amend the title, by striking lines 5 through
 19 8 and inserting in lieu thereof the following:
 20 "providing for the filing of claims for a credit on
 21 the property taxes due in the coming fiscal year,
 22 altering the reimbursement and credit schedule for
 23 property taxes due or rent constituting property taxes
 24 paid, extending the deadline for filing and making
 25 clarifying provisions".

26 22. By numbering and renumbering as required by
 27 this amendment.

BY JOHN SCOTT

TOM SLATER
 BOB RUSH
 LOWELL JUNKINS
 ARTHUR SMALL, JR.
 C. JOSEPH COLEMAN
 JAMES GALLAGHER
 BERL E. PRIEBE
 BOB CARR

JAMES CALHOON
 JOANN ORR
 BASS VAN GILST
 C. W. HUTCHINS
 GEORGE R. KINLEY
 CHARLES P. MILLER
 CLOYD ROBINSON
 WILLIAM PALMER

S-3672 FILED *Adopted as amended*
 MAY 1, 1979 *5/5 (p. 1589)*

S-3673

1 Amend the Scott Amendment S-~~3672~~ to Senate File
 2 495 as follows:

3 1. Page 4, line 14, by striking the figure and word
 4 "4 and" and inserting in lieu thereof the figure and
 5 word "15 and".

6 2. Page 4, by striking lines 26 through 29 and
 7 inserting in lieu thereof the following:

8 "a. The amount shall be determined in accordance
 9 with the following schedule:

	Percent of property taxes paid due or rent constituting property taxes paid allowed as a <u>credit</u> or reimbursement:
10	
11	
12	
13	
14	
15	
16	
17	
18	\$ 0 -- 999.99 100%
19	1,000----1,999.99 100
20	2,000----2,999.99 95
21	3,000--- 3,999.99 85 100%
22	4,000 -- 4,999.99 70 85
23	5,000 -- 5,999.99 55 60

S-3673 FILED & ADOPTED *(p. 1482)*
 MAY 1, 1979

BY JOHN SCOTT

1 Section 1. Section one hundred thirty-five D point twenty-
2 two (135D.22), subsection two (2), Code 1979, is amended by
3 striking the subsection and inserting in lieu thereof the
4 following:

5 2. If the owner of the mobile home was totally disabled,
6 as defined in section four hundred twenty-five point seventeen
7 (425.17), subsection six (6) of the Code on or before December
8 thirty-first of the base year, is a surviving spouse having
9 attained the age of fifty-five years on or before December
10 thirty-first of the base year or has attained the age of
11 sixty-five years on or before December thirty-first of the
12 base year and has an income when included with that of a
13 spouse which is less than four thousand dollars per year,
14 no semiannual tax shall be imposed on the mobile home. If
15 the income is four thousand dollars or more but less than
16 ten thousand dollars, the semiannual tax shall be computed
17 as follows:

18 If the Household	Semiannual Tax Per
19 <u>Income is:</u>	<u>Square Foot</u>
20 \$4,000 - 4,999.99	1.5 cents
21 5,000 - 5,999.99	4.0
22 6,000 - 6,999.99	6.0
23 7,000 - 7,999.99	7.0
24 8,000 - 8,999.99	7.5
25 9,000 - 9,999.99	8.0

26 For purposes of this subsection "income" means income as
27 defined in section four hundred twenty-five point seventeen
28 (425.17), subsection one (1), of the Code and "base year"
29 means the calendar year preceding the year in which the claim
30 for a reduced rate of tax is filed. The mobile home reduced
31 rate of tax shall only be allowed on the mobile home in which
32 the claimant is residing at the time in which the claim for
33 a reduced rate of tax is filed.

34 Sec. 2. Section four hundred twenty-five point sixteen
35 (425.16), Code 1979, is amended to read as follows:

1 425.16 ADDITIONAL TAX CREDIT. In addition to the homestead
 2 tax credit allowed under section 425.1, subsections 1 to 4,
 3 persons who own or rent their homesteads and who meet the
 4 qualifications provided in this division are eligible for
 5 an extraordinary property tax credit or reimbursement payable
 6 ~~in-September-of-any-year.~~

7 Sec. 3. Section four hundred twenty-five point seventeen
 8 (425.17), subsections five (5), nine (9), ten (10) and eleven
 9 (11), Code 1979, are amended to read as follows:

10 5. "Claimant" means a person filing a claim for credit
 11 or reimbursement under this division who has attained the
 12 age of sixty-five years on or before December 31 thirty-first
 13 of the base year or who is a surviving spouse having attained
 14 the age of fifty-five years on or before December 31 thirty-
 15 first of the base year, or who is totally disabled and was
 16 totally disabled on or before December 31 thirty-first of
 17 the base year, and was domiciled in this state during the
 18 entire base year and is domiciled in this state at the time
 19 the claim is filed. "Claimant" includes a vendee in possession
 20 under a contract for deed and may include one or more joint
 21 tenants or tenants in common. In the case of a claim for
 22 rent constituting property taxes paid, the claimant shall
 23 have rented the property during any part of the base year.
 24 ~~When-two-persons-of-a-household-are-able-to-meet-the~~
 25 ~~qualifications-for-a-claimant,-they-may-determine-between~~
 26 ~~them-who-will-be-the-claimant---if-they-are-unable-to-agree,-~~
 27 ~~the-matter-shall-be-referred-to-the-director-of-revenue-not~~
 28 ~~later-than-July-31-of-each-year-and-his-decision-shall-be~~
 29 ~~final.~~ If a homestead is occupied by two or more persons,
 30 and more than one person is able to qualify as a claimant,
 31 ~~and-some-or-all-of-the-qualified-persons-are-not-related,~~
 32 the persons may determine among them who will be the claimant.
 33 If they are unable to agree, the matter shall be referred
 34 to the director of revenue not later than July-31 October
 35 thirty-first of each year and ~~his~~ the director's decision

1 shall be final.

2 9. "Property taxes paid due" means property taxes including
3 any special assessments, but exclusive of delinquent interest
4 and charges for services, paid due on a claimant's homestead
5 in this state, but includes only property taxes for which
6 the claimant was is liable and which were will actually be
7 paid by the claimant. ~~If the property taxes have actually~~
8 ~~been paid, they shall be deemed to have been paid when due,~~
9 ~~regardless of the date of actual payment.~~ "Property taxes
10 paid due" shall be computed with no deduction for any credit
11 under this division or for any homestead credit allowed under
12 section 425.1. Each claim shall be based upon the taxes paid
13 due during the fiscal year next following the base year.
14 If a homestead is owned by two or more persons as joint tenants
15 or tenants in common, and one or more persons are not a member
16 of claimant's household, "property taxes paid due" is that
17 part of property taxes paid due on the homestead which equals
18 the ownership percentage of the claimant and his or her
19 household. The county treasurer shall include with the tax
20 receipt a statement that if the owner of the property is
21 sixty-five years of age or over or is totally disabled, or
22 is a surviving spouse of such person who is over the age of
23 fifty-five years of age, the person may be eligible for the
24 credit allowed under this division. ~~If a claimant changes~~
25 ~~his or her homestead, this shall not prevent him or her from~~
26 ~~filing a claim based on property taxes for which the claimant~~
27 ~~was liable and which were actually paid by the claimant, but~~
28 ~~duplication of claims shall not be allowed.~~ If a homestead
29 is an integral part of a farm, the claimant may use the total
30 property taxes paid due for the larger unit, but not exceeding
31 forty acres of land. If a homestead is an integral part of
32 a multidwelling or multipurpose building the property taxes
33 paid due for the purpose of this subsection shall be prorated
34 to reflect the portion which the value of the property that
35 the household occupies as its homestead is to the value of

1 the entire structure. For purposes of this subsection, "unit"
2 refers to that parcel of property covered by a single tax
3 statement of which the homestead is a part.

4 10. "Special assessment" means special assessments made
5 pursuant to sections 384.37 to 384.79. The amount of a special
6 assessment which may be included in the amount of property
7 taxes paid due for one year shall be an amount equal to one-
8 tenth of the total amount of the special assessment levied
9 against the homestead of the claimant, if the claimant elected
10 elects to pay the total amount of the special assessment in
11 one payment. If the claimant elects to pay the special
12 assessment in ten annual installments as provided by law,
13 the claimant may include as a portion of the property taxes
14 paid due during the fiscal year next following the base year
15 an amount equal to the special assessment, including interest,
16 paid due during that same base fiscal year.

17 11. "Base year" means:

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

21 b. For a claimant filing a claim for property taxes paid
22 due, the state fiscal year ending in the calendar year in
23 which the claim is filed.

24 Sec. 4. Section four hundred twenty-five point eighteen
25 (425.18), Code 1979, is amended to read as follows:

26 425.18 CLAIM IS PERSONAL. The right to file a claim under
27 this division shall be personal to the claimant and shall
28 not survive the claimant's death, but the right may be
29 exercised on behalf of a claimant by his or her legal guardian,
30 spouse or attorney. If a claimant dies after having filed
31 a claim for reimbursement for rent constituting property taxes
32 paid, the amount of the reimbursement may be paid to another
33 member of the household as determined by the director. If
34 the claimant was the only member of the household, the
35 reimbursement may be paid to the claimant's executor or

1 administrator, but if neither is appointed and qualified
2 within one year from the date of the filing of the claim,
3 the reimbursement shall escheat to the state. If a claimant
4 dies after having filed a claim for credit for property taxes
5 due, the amount of credit shall be paid as if the claimant
6 had not died.

7 Sec. 5. Section four hundred twenty-five point nineteen
8 (425.19), Code 1979, is amended to read as follows:

9 425.19 CLAIM AND CREDIT OR REIMBURSEMENT. Subject to
10 the limitations provided in this division, a claimant may
11 annually claim a reimbursement credit for property taxes paid
12 due during the fiscal year next following the base year or
13 claim a reimbursement for rent constituting property taxes
14 paid in the base year. The amount of the reimbursement credit
15 for property taxes paid due for a homestead, -after-audit-or
16 certification-by-the-director, shall be paid within one hundred
17 eighty days after receipt of the claim by the director to
18 the county treasurer who shall credit the money received
19 against the amount of the property taxes due and payable on
20 the homestead of the claimant and the amount of the
21 reimbursement for rent constituting property taxes paid shall
22 be paid to the claimant from the state general fund on or
23 before September-25 December thirty-first of each year
24 commencing in 1974. --However, the claimant for reimbursement
25 for property taxes paid may designate on the claim at the
26 time it is filed that the check for reimbursement for property
27 taxes paid be made payable to the claimant and the county
28 treasurer of the county in which the homestead is located.

29 Sec. 6. Section four hundred twenty-five point twenty
30 (425.20), Code 1979, is amended to read as follows:

31 425.20 FILING DATE. A claim for reimbursement for property
32 taxes paid or rent constituting property taxes paid shall
33 not be paid or allowed, unless the claim is actually filed
34 with and in the possession of the department of revenue on
35 or before July-31 October thirty-first of the year following

1 the base year, ~~beginning July 31, 1974.~~

2 A claim for credit for property taxes due shall not be
 3 paid or allowed unless the claim is actually filed with the
 4 county treasurer on or before September thirtieth of the
 5 fiscal year during which the property taxes are due and
 6 contains an affidavit of the claimant's intent to occupy the
 7 homestead for six months or more during the fiscal year for
 8 which the claim is filed. The county treasurer shall submit
 9 the claim to the director of revenue on or before October
 10 fifteenth of each year.

11 In case of sickness, absence, or other disability of the
 12 claimant or if, in the judgment of the director of revenue,
 13 good cause exists and the claimant requests an extension prior
 14 to ~~August 1~~ November first, the director may extend the time
 15 for filing a claim for reimbursement or credit for a period
 16 not to exceed ~~three~~ two months. ~~The director may also extend~~
 17 ~~the time for filing for all claimants or for any reasonable~~
 18 ~~group or class of claimants for a period not to exceed three~~
 19 ~~months if, in his judgment, good cause exists.~~

20 Sec. 7. Section four hundred twenty-five point twenty-
 21 one (425.21), Code 1979, is amended to read as follows:

22 425.21 SATISFACTION OF OUTSTANDING TAX LIABILITIES. The
 23 amount of any claim for credit or reimbursement payable under
 24 this division may be applied by the department of revenue
 25 against any tax liability outstanding on the books of the
 26 department against the claimant, or against a spouse who was
 27 a member of the claimant's household in the base year.

28 Sec. 8. Section four hundred twenty-five point twenty-
 29 two (425.22), Code 1979, is amended to read as follows:

30 425.22 ONE CLAIMANT PER HOUSEHOLD. Only one claimant
 31 per household per year shall be entitled to reimbursement
 32 under this division and only one claimant per household per
 33 fiscal year shall be entitled to a credit under this division.

34 Sec. 9. Section four hundred twenty-five point twenty-
 35 three (425.23), Code 1979, is amended to read as follows:

1 425.23 SCHEDULE FOR CLAIMS FOR CREDIT OR REIMBURSEMENT.

2 The amount of any claim for credit or reimbursement filed
3 under this division shall be determined as provided in this
4 section.

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

7 a. The amount shall be determined in accordance with the
8 following schedule:

<u>If the household</u> <u>income is:</u>	<u>Percent of property taxes</u> <u>paid due or rent</u> <u>constituting property</u> <u>taxes paid allowed as</u> <u>a credit or reim-</u> <u>bursement:</u>
\$ 0 -- 999.99	100%
<u>1,000-----1,999.99</u>	100
<u>2,000-----2,999.99</u>	95
<u>3,000 -- 3,999.99</u>	85 100%
<u>4,000 -- 4,999.99</u>	70 85
<u>5,000 -- 5,999.99</u>	55 60
<u>6,000 -- 6,999.99</u>	40
<u>7,000 -- 7,999.99</u>	30
<u>8,000 -- 8,999.99</u>	25
<u>9,000 -- 9,999.99</u>	20

25 b. If the claim is for property taxes paid due and the
26 household income of the claimant is less than four thousand
27 dollars, the alternative tentative reimbursement credit shall
28 be one hundred twenty-five dollars, but not to exceed the
29 amount of property taxes paid due during the fiscal year next
30 following the base year.

31 2. The actual reimbursement credit for property taxes
32 paid due shall be determined by subtracting from the tentative
33 reimbursement credit the amount of the homestead credit under
34 section 425.1 which was is allowed as a credit against property
35 taxes paid due in the fiscal year next following the base

1 year by the claimant or any person of his the claimant's
2 household, ~~except that the credit shall not exceed two-thirds~~
3 ~~of the amount of the credit received on the homestead in the~~
4 ~~extended fiscal year beginning January 1, 1974, and ending~~
5 ~~June 30, 1975.~~ If the subtraction produces a negative amount,
6 there shall be no reimbursement credit but no refund shall
7 be required. The actual reimbursement for rent constituting
8 property taxes paid shall be equal to the tentative
9 reimbursement.

10 3. Any person who is eligible to file a claim for
11 reimbursement credit for property taxes paid due and who has
12 a household income of five thousand dollars or less and who
13 has a special assessment levied against the homestead may
14 file a claim with the county treasurer that the claimant had
15 a household income of five thousand dollars or less during
16 the base year and that a special assessment is presently
17 levied against the homestead. The department shall provide
18 to the respective county treasurers such forms as are necessary
19 for the administration of this subsection. The claim shall
20 be filed not later than September 30 thirtieth of each year.
21 Upon the filing of the claim, no penalty or interest for late
22 payment shall accrue against the amount of the special
23 assessment due and payable. The claim filed by the claimant
24 shall constitute a claim for reimbursement credit of an amount
25 equal to the actual amount due and payable upon the special
26 assessment payable during the fiscal year against the homestead
27 of the claimant or an amount equal to the annual payment of,
28 the special assessment levied against the homestead of the
29 claimant and payable in annual installments through the period
30 of years provided by the governing body of the city, whichever
31 is less. The department of revenue shall, upon the filing
32 of the claim with the department by the county treasurer,
33 pay that amount of the special assessment during the current
34 fiscal year to the county treasurer. The county treasurer
35 shall submit the claims to the director of revenue not later

1 than October 15 fifteenth of each year. The director of
2 revenue shall certify to the state comptroller the amount
3 of reimbursement due each county for special assessment credits
4 allowed under this subsection. The amount of reimbursement
5 due each county shall be paid by the state comptroller on
6 November 15 fifteenth of each year, drawn upon warrants payable
7 to the respective county treasurer. There is appropriated
8 annually from the general fund of the state to the department
9 of revenue an amount sufficient to carry out the provisions
10 of this subsection. The county treasurer shall credit any
11 moneys received from the department against the amount of
12 the special assessment due and payable on the homestead of
13 the claimant.

14 Sec. 10. Section four hundred twenty-five point twenty-
15 four (425.24), Code 1979, is amended to read as follows:

16 425.24 MAXIMUM PROPERTY TAX. In any case in which property
17 taxes paid due or rent constituting property taxes paid in
18 any-base-year for any household exceeds one thousand dollars,
19 the amount of property taxes paid due or rent constituting
20 property taxes paid shall be deemed to have been one thousand
21 dollars for purposes of this division.

22 Sec. 11. Section four hundred twenty-five point twenty-
23 five (425.25), Code 1979, is amended to read as follows:

24 425.25 ADMINISTRATION. The director of revenue shall
25 make available suitable forms with instructions for claimants.
26 Each assessor and county treasurer shall make available the
27 forms and instructions. The claim shall be in such form as
28 the director may prescribe. The director may also devise
29 a tax credit or reimbursement table, with amounts rounded
30 to the nearest whole dollar. Reimbursements or credits in
31 the amount of less than one dollar shall not be paid.

32 Sec. 12. Section four hundred twenty-five point twenty-
33 six (425.26), subsections two (2), three (3), eight (8), and
34 nine (9), Code 1979, are amended to read as follows:

35 2. Property taxes paid due or rent constituting property

1 taxes paid, including the portion of gross rent paid for
 2 providing utilities, services, furniture, furnishings, and
 3 personal property appliances, and the name and address of
 4 the owner or manager of the property rented and a statement
 5 whether the claimant is related by blood, marriage or adoption
 6 to the owner or manager of the property rented;

7 3. Homestead credit allowed against property taxes paid
 8 due;

9 8. A statement that the property taxes paid due and used
 10 for purposes of this division have been or will be paid by
 11 him the claimant, and that there are no delinquent property
 12 taxes on the homestead.

13 9. Any information needed to determine whether the claimant
 14 is eligible for the alternative reimbursement credit under
 15 section 425.23, subsection 1, paragraph "b".

16 Sec. 13. Section four hundred twenty-five point twenty-
 17 seven (425.27), Code 1979, is amended to read as follows:

18 425.27 AUDIT OF CLAIM. If on the audit of any claim
 19 for credit or reimbursement under this division, the director
 20 determines the amount of the claim to have been incorrectly
 21 calculated or that the claim is not allowable, he the director
 22 shall recalculate the claim and notify the claimant of the
 23 recalculation or denial and his the reasons for it. The
 24 director shall not adjust any claim after three years from
 25 July-31 October thirty-first of the year in which the claim
 26 was filed. If the claim for reimbursement has been paid,
 27 the amount may be recovered by assessment in the same manner
 28 that income taxes are assessed under sections 422.26 and
 29 422.30. If the claim for credit has been paid, the county
 30 treasurer shall repay the amount to the director and after
 31 notification to the claimant of the recalculation or denial
 32 of the claim, the county treasurer shall proceed to collect
 33 the tax owed in the same manner as other property taxes due
 34 and payable are collected. The recalculation of the claim
 35 shall be final unless appealed as provided in section 425.31.

1 The provisions of section 422.70 shall be applicable with
2 respect to this division.

3 Sec. 14. Section four hundred twenty-five point twenty-
4 nine (425.29), Code 1979, is amended to read as follows:

5 425.29 FALSE CLAIM--PENALTY. Any person making a false
6 affidavit for the purpose of obtaining credit or reimbursement
7 provided for in this division or who knowingly receives the
8 credit or reimbursement without being legally entitled to
9 it or makes-claim for the credit or reimbursement in more
10 than one county in the state shall be guilty of a simple
11 misdemeanor. An action under this section shall be brought
12 in the county in which the affidavit was filed. The claim
13 for credit or reimbursement shall be disallowed in full and
14 if the claim has been paid the amount ~~may-be-recovered-by~~
15 ~~assessment-in-the-manner-that-income-taxes-are-assessed~~
16 ~~pursuant-to-sections-422-26-and-422-30~~ shall be recovered
17 in the manner provided in section four hundred twenty-five
18 point twenty-seven (425.27) of the Code. The director of
19 revenue shall send a notice of disallowance of the claim.

20 Sec. 15. Section four hundred twenty-five point thirty-
21 two (425.32), Code 1979, is amended to read as follows:

22 425.32 DISALLOWANCE OF CERTAIN CLAIMS. A claim for
23 reimbursement credit shall be disallowed if the department
24 finds that the claimant or a person of ~~his~~ the claimant's
25 household received title to ~~his~~ the homestead primarily for
26 the purpose of receiving benefits under this division.

27 Sec. 16. Section four hundred twenty-five point thirty-
28 nine (425.39), Code 1979, is amended to read as follows:

29 425.39 FUND CREATED--APPROPRIATION. There is appropriated
30 annually from the general fund of the state to the department
31 of revenue to be credited to the extraordinary property tax
32 credit and reimbursement fund, which fund is hereby created,
33 from funds not otherwise appropriated, an amount sufficient
34 to carry out the provisions of this division.

35 Sec. 17. Section four hundred twenty-five point thirty-

1 eight (425.38), Code 1979, is repealed.

2 Sec. 18. Notwithstanding any provision of this Act, the
3 right to file a claim for reimbursement for property taxes
4 paid in the fiscal year ending in the 1979 calendar year under
5 sections four hundred twenty-five point sixteen (425.16) to
6 four hundred twenty-five point thirty-nine (425.39) of the
7 Code is not abridged and the procedures for filing the claim
8 for reimbursement, the verification of the claim, the
9 determination of the amount of the claim and the payment of
10 the claim shall be as specified under sections four hundred
11 twenty-five point sixteen (425.16) to four hundred twenty-
12 five point thirty-nine (425.39) of the Code before the
13 effective date of this Act. A person filing a claim for
14 reimbursement for property taxes paid in the fiscal year
15 ending in the 1979 calendar year is not precluded from filing
16 a claim for credit for property taxes due under the provisions
17 of this Act.

18 Sec. 19. This Act is effective July 31, 1979.

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SENATE FILE 495

11-4369

1 Amend Senate File 495 as amended, passed and
2 reprinted by the Senate as follows:

3 1. Page 11, by inserting after line 34 the
4 following:

5 "Sec. _____. Chapter four hundred twenty-five (425),
6 Code 1979, is amended by adding the following new
7 section to the division on property tax relief for
8 the elderly and disabled:

9 NEW SECTION. In the case of a special charter
10 city which levies and collects its own taxes, the
11 appropriate city official shall be responsible for
12 carrying out the duties and responsibilities imposed
13 under this division upon the county treasurer."

14 2. By numbering and renumbering as required by
15 this amendment.

H-4369 FILED, ADOPTED (p. 2218) BY COMMITTEE ON WAYS AND MEANS
MAY 9, 1979 WEST, Chair

HOUSE AMENDMENT TO SENATE FILE 495

S-3768

1 Amend Senate File 495 as amended, passed and
2 reprinted by the Senate as follows:

3 1. Page 11, by inserting after line 34 the
4 following:

5 "Sec. _____. Chapter four hundred twenty-five (425),
6 Code 1979, is amended by adding the following new
7 section to the division on property tax relief for
8 the elderly and disabled:

9 NEW SECTION. In the case of a special charter
10 city which levies and collects its own taxes, the
11 appropriate city official shall be responsible for
12 carrying out the duties and responsibilities imposed
13 under this division upon the county treasurer."

14 2. By numbering and renumbering as required by
15 this amendment.

S-3768 FILED
MAY 9, 1979

RECEIVED FROM THE HOUSE

Senate concurred 5/9 (p. 1454)

SENATE FILE 495

AN ACT

RELATING TO ADDITIONAL PROPERTY TAX RELIEF FOR PERSONS SIXTY-FIVE YEARS OF AGE OR OLDER, SURVIVING SPOUSES FIFTY-FIVE YEARS OF AGE OR OLDER AND PERSONS TOTALLY DISABLED BY REDUCING THE SEMIANNUAL MOBILE HOME TAX RATE AND BY PROVIDING FOR THE FILING OF CLAIMS FOR A CREDIT ON THE PROPERTY TAXES DUE IN THE COMING FISCAL YEAR, ALTERING THE REIMBURSEMENT AND CREDIT SCHEDULE FOR PROPERTY TAXES DUE OR RENT CONSTITUTING PROPERTY TAXES PAID, EXTENDING THE DEADLINE FOR FILING AND MAKING CLARIFYING PROVISIONS.

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

Section 1. Section one hundred thirty-five D point twenty-two (135D.22), subsection two (2), Code 1979, is amended by striking the subsection and inserting in lieu thereof the following:

2. If the owner of the mobile home was totally disabled, as defined in section four hundred twenty-five point seventeen (425.17), subsection six (6) of the Code on or before December thirty-first of the base year, is a surviving spouse having attained the age of fifty-five years on or before December thirty-first of the base year or has attained the age of sixty-five years on or before December thirty-first of the base year and has an income when included with that of a spouse which is less than four thousand dollars per year, no semiannual tax shall be imposed on the mobile home. If the income is four thousand dollars or more but less than ten thousand dollars, the semiannual tax shall be computed as follows:

If the Household	Semiannual Tax Per
Income is: _____	Square Foot _____

\$4,000 - 4,999.99	1.5 cents
5,000 - 5,999.99	4.0
6,000 - 6,999.99	6.0
7,000 - 7,999.99	7.0
8,000 - 8,999.99	7.5
9,000 - 9,999.99	8.0

For purposes of this subsection "income" means income as defined in section four hundred twenty-five point seventeen (425.17), subsection one (1), of the Code and "base year" means the calendar year preceding the year in which the claim for a reduced rate of tax is filed. The mobile home reduced rate of tax shall only be allowed on the mobile home in which the claimant is residing at the time in which the claim for a reduced rate of tax is filed.

Sec. 2. Section four hundred twenty-five point sixteen (425.16), Code 1979, is amended to read as follows:

425.16 ADDITIONAL TAX CREDIT. In addition to the homestead tax credit allowed under section 425.1, subsections 1 to 4, persons who own or rent their homesteads and who meet the qualifications provided in this division are eligible for an extraordinary property tax credit or reimbursement payable in September of any year.

Sec. 3. Section four hundred twenty-five point seventeen (425.17), subsections five (5), nine (9), ten (10) and eleven (11), Code 1979, are amended to read as follows:

5. "Claimant" means a person filing a claim for credit or reimbursement under this division who has attained the age of sixty-five years on or before December ~~31~~ thirty-first of the base year or who is a surviving spouse having attained the age of fifty-five years on or before December ~~31~~ thirty-first of the base year, or who is totally disabled and was totally disabled on or before December ~~31~~ thirty-first of the base year, and was domiciled in this state during the entire base year and is domiciled in this state at the time the claim is filed. "Claimant" includes a vendee in possession

under a contract for deed and may include one or more joint tenants or tenants in common. In the case of a claim for rent constituting property taxes paid, the claimant shall have rented the property during any part of the base year. ~~When two persons of a household are able to meet the qualifications for a claimant, they may determine between them who will be the claimant. If they are unable to agree, the matter shall be referred to the director of revenue not later than July 31 of each year and his decision shall be final.~~ If a homestead is occupied by two or more persons, and more than one person is able to qualify as a claimant, and ~~some or all of the qualified persons are not related,~~ the persons may determine among them who will be the claimant. If they are unable to agree, the matter shall be referred to the director of revenue not later than ~~July 31~~ October thirty-first of each year and ~~his~~ the director's decision shall be final.

9. "Property taxes paid due" means property taxes including any special assessments, but exclusive of delinquent interest and charges for services, paid due on a claimant's homestead in this state, but includes only property taxes for which the claimant was is liable and which were will actually be paid by the claimant. ~~If the property taxes have actually been paid, they shall be deemed to have been paid when due, regardless of the date of actual payment.~~ "Property taxes paid due" shall be computed with no deduction for any credit under this division or for any homestead credit allowed under section 425.1. Each claim shall be based upon the taxes paid due during the fiscal year next following the base year. If a homestead is owned by two or more persons as joint tenants or tenants in common, and one or more persons are not a member of claimant's household, "property taxes paid due" is that part of property taxes paid due on the homestead which equals the ownership percentage of the claimant and his or her household. The county treasurer shall include with the tax

receipt a statement that if the owner of the property is sixty-five years of age or over or is totally disabled, or is a surviving spouse of such person who is over the age of fifty-five years of age, the person may be eligible for the credit allowed under this division. ~~If a claimant changes his or her homestead, this shall not prevent him or her from filing a claim based on property taxes for which the claimant was liable and which were actually paid by the claimant, but duplication of claims shall not be allowed.~~ If a homestead is an integral part of a farm, the claimant may use the total property taxes paid due for the larger unit, but not exceeding forty acres of land. If a homestead is an integral part of a multidwelling or multipurpose building the property taxes paid due for the purpose of this subsection shall be prorated to reflect the portion which the value of the property that the household occupies as its homestead is to the value of the entire structure. For purposes of this subsection, "unit" refers to that parcel of property covered by a single tax statement of which the homestead is a part.

10. "Special assessment" means special assessments made pursuant to sections 384.37 to 394.79. The amount of a special assessment which may be included in the amount of property taxes paid due for one year shall be an amount equal to one-tenth of the total amount of the special assessment levied against the homestead of the claimant, if the claimant ~~elects~~ elects to pay the total amount of the special assessment in one payment. If the claimant elects to pay the special assessment in ten annual installments as provided by law, the claimant may include as a portion of the property taxes paid due during the fiscal year next following the base year an amount equal to the special assessment, including interest, paid due during that same base fiscal year.

11. "Base year" means:

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

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

Sec. 4. Section four hundred twenty-five point eighteen (425.18), Code 1979, is amended to read as follows:

425.18 CLAIM IS PERSONAL. The right to file a claim under this division shall be personal to the claimant and shall not survive the claimant's death, but the right may be exercised on behalf of a claimant by his or her legal guardian, spouse or attorney. If a claimant dies after having filed a claim for reimbursement for rent constituting property taxes paid, the amount of the reimbursement may be paid to another member of the household as determined by the director. If the claimant was the only member of the household, the reimbursement may be paid to the claimant's executor or administrator, but if neither is appointed and qualified within one year from the date of the filing of the claim, the reimbursement shall escheat to the state. If a claimant dies after having filed a claim for credit for property taxes due, the amount of credit shall be paid as if the claimant had not died.

Sec. 5. Section four hundred twenty-five point nineteen (425.19), Code 1979, is amended to read as follows:

425.19 CLAIM AND CREDIT OR REIMBURSEMENT. Subject to the limitations provided in this division, a claimant may annually claim a reimbursement credit for property taxes paid due during the fiscal year next following the base year or claim a reimbursement for rent constituting property taxes paid in the base year. The amount of the reimbursement credit for property taxes paid due for a homestead ~~after audit or certification by the director~~, shall be paid within one hundred eighty days after receipt of the claim by the director to the county treasurer who shall credit the money received against the amount of the property taxes due and payable on the homestead of the claimant and the amount of the

reimbursement for rent constituting property taxes paid shall be paid to the claimant from the state general fund on ~~or before September 25~~ December thirty-first of each year ~~commencing in 1974~~ ~~--- However, the claimant for reimbursement for property taxes paid may designate on the claim at the time it is filed that the check for reimbursement for property taxes paid be made payable to the claimant and the county treasurer of the county in which the homestead is located.~~

Sec. 6. Section four hundred twenty-five point twenty (425.20), Code 1979, is amended to read as follows:

425.20 FILING DATE. A claim for reimbursement for property taxes paid or rent constituting property taxes paid shall not be paid or allowed, unless the claim is actually filed with and in the possession of the department of revenue on or before ~~July 31~~ October thirty-first of the year following the base year ~~beginning July 31, 1974.~~

A claim for credit for property taxes due shall not be paid or allowed unless the claim is actually filed with the county treasurer on or before September thirtieth of the fiscal year during which the property taxes are due and contains an affidavit of the claimant's intent to occupy the homestead for six months or more during the fiscal year for which the claim is filed. The county treasurer shall submit the claim to the director of revenue on or before October fifteenth of each year.

In case of sickness, absence, or other disability of the claimant or if, in the judgment of the director of revenue, good cause exists and the claimant requests an extension prior to ~~August 1~~ November first, the director may extend the time for filing a claim for reimbursement or credit for a period not to exceed ~~three~~ two months. ~~The director may also extend the time for filing for all claimants or for any reasonable group or class of claimants for a period not to exceed three months if, in his judgment, good cause exists.~~

Sec. 7. Section four hundred twenty-five point twenty-one (425.21), Code 1979, is amended to read as follows:

425.21 SATISFACTION OF OUTSTANDING TAX LIABILITIES. The amount of any claim for credit or reimbursement payable under this division may be applied by the department of revenue against any tax liability outstanding on the books of the department against the claimant, or against a spouse who was a member of the claimant's household in the base year.

Sec. 8. Section four hundred twenty-five point twenty-two (425.22), Code 1979, is amended to read as follows:

425.22 ONE CLAIMANT PER HOUSEHOLD. Only one claimant per household per year shall be entitled to reimbursement under this division and only one claimant per household per fiscal year shall be entitled to a credit under this division.

Sec. 9. Section four hundred twenty-five point twenty-three (425.23), Code 1979, is amended to read as follows:

425.23 SCHEDULE FOR CLAIMS FOR CREDIT OR REIMBURSEMENT. The amount of any claim for credit or reimbursement filed under this division shall be determined as provided in this section.

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

a. The amount shall be determined in accordance with the following schedule:

If the household income is:	Percent of property taxes paid due or rent constituting property taxes paid allowed as a credit or reimbursement:
\$ 0 -- 999.99	100%
1,000 ---- 1,999.99	100
2,000 ---- 2,999.99	95
3,000 -- 3,999.99	85 100%
4,000 -- 4,999.99	70 85

5,000 -- 5,999.99	55 60
6,000 -- 6,999.99	40
7,000 -- 7,999.99	30
8,000 -- 8,999.99	25
9,000 -- 9,999.99	20

b. If the claim is for property taxes paid due and the household income of the claimant is less than four thousand dollars, the alternative tentative reimbursement credit shall be one hundred twenty-five dollars, but not to exceed the amount of property taxes paid due during the fiscal year next following the base year.

2. The actual reimbursement credit for property taxes paid due shall be determined by subtracting from the tentative reimbursement credit the amount of the homestead credit under section 425.1 which was is allowed as a credit against property taxes paid due in the fiscal year next following the base year by the claimant or any person of his the claimant's household, ~~except that the credit shall not exceed two-thirds of the amount of the credit received on the homestead in the extended fiscal year beginning January 1, 1974, and ending June 30, 1975.~~ If the subtraction produces a negative amount, there shall be no reimbursement credit but no refund shall be required. The actual reimbursement for rent constituting property taxes paid shall be equal to the tentative reimbursement.

3. Any person who is eligible to file a claim for reimbursement credit for property taxes paid due and who has a household income of five thousand dollars or less and who has a special assessment levied against the homestead may file a claim with the county treasurer that the claimant had a household income of five thousand dollars or less during the base year and that a special assessment is presently levied against the homestead. The department shall provide to the respective county treasurers such forms as are necessary for the administration of this subsection. The claim shall

be filed not later than September 30 thirtieth of each year. Upon the filing of the claim, no penalty or interest for late payment shall accrue against the amount of the special assessment due and payable. The claim filed by the claimant shall constitute a claim for reimbursement credit of an amount equal to the actual amount due and payable upon the special assessment payable during the fiscal year against the homestead of the claimant or an amount equal to the annual payment of the special assessment levied against the homestead of the claimant and payable in annual installments through the period of years provided by the governing body of the city, whichever is less. The department of revenue shall, upon the filing of the claim with the department by the county treasurer, pay that amount of the special assessment during the current fiscal year to the county treasurer. The county treasurer shall submit the claims to the director of revenue not later than October 15 fifteenth of each year. The director of revenue shall certify to the state comptroller the amount of reimbursement due each county for special assessment credits allowed under this subsection. The amount of reimbursement due each county shall be paid by the state comptroller on November 15 fifteenth of each year, drawn upon warrants payable to the respective county treasurer. There is appropriated annually from the general fund of the state to the department of revenue an amount sufficient to carry out the provisions of this subsection. The county treasurer shall credit any moneys received from the department against the amount of the special assessment due and payable on the homestead of the claimant.

Sec. 10. Section four hundred twenty-five point twenty-four (425.24), Code 1979, is amended to read as follows:

425.24 MAXIMUM PROPERTY TAX. In any case in which property taxes paid due or rent constituting property taxes paid in any-base-year for any household exceeds one thousand dollars, the amount of property taxes paid due or rent constituting

property taxes paid shall be deemed to have been one thousand dollars for purposes of this division.

Sec. 11. Section four hundred twenty-five point twenty-five (425.25), Code 1979, is amended to read as follows:

425.25 ADMINISTRATION. The director of revenue shall make available suitable forms with instructions for claimants. Each assessor and county treasurer shall make available the forms and instructions. The claim shall be in such form as the director may prescribe. The director may also devise a tax credit or reimbursement table, with amounts rounded to the nearest whole dollar. Reimbursements or credits in the amount of less than one dollar shall not be paid.

Sec. 12. Section four hundred twenty-five point twenty-six (425.26), subsections two (2), three (3), eight (8), and nine (9), Code 1979, are amended to read as follows:

2. Property taxes paid due or rent constituting property taxes paid, including the portion of gross rent paid for providing utilities, services, furniture, furnishings, and personal property appliances, and the name and address of the owner or manager of the property rented and a statement whether the claimant is related by blood, marriage or adoption to the owner or manager of the property rented;

3. Homestead credit allowed against property taxes paid due;

8. A statement that the property taxes paid due and used for purposes of this division have been or will be paid by ~~him~~ the claimant, and that there are no delinquent property taxes on the homestead.

9. Any information needed to determine whether the claimant is eligible for the alternative reimbursement credit under section 425.23, subsection 1, paragraph "b".

Sec. 13. Section four hundred twenty-five point twenty-seven (425.27), Code 1979, is amended to read as follows:

425.27 AUDIT OF CLAIM. If on the audit of any claim for credit or reimbursement under this division, the director

determines the amount of the claim to have been incorrectly calculated or that the claim is not allowable, he the director shall recalculate the claim and notify the claimant of the recalculation or denial and his the reasons for it. The director shall not adjust any claim after three years from July-31 October thirty-first of the year in which the claim was filed. If the claim for reimbursement has been paid, the amount may be recovered by assessment in the same manner that income taxes are assessed under sections 422.26 and 422.39. If the claim for credit has been paid, the county treasurer shall repay the amount to the director and after notification to the claimant of the recalculation or denial of the claim, the county treasurer shall proceed to collect the tax owed in the same manner as other property taxes due and payable are collected. The recalculation of the claim shall be final unless appealed as provided in section 425.37. The provisions of section 422.39 shall be applicable with respect to this division.

Sec. 14. Section four hundred twenty-five point twenty-nine (425.29), Code 1979, is amended to read as follows:

425.29 FALSE CLAIM--PENALTY. Any person making a false affidavit for the purpose of obtaining credit or reimbursement provided for in this division or who knowingly receives the credit or reimbursement without being legally entitled to it or makes claim for the credit or reimbursement in more than one county in the state shall be guilty of a simple misdemeanor. An action under this section shall be brought in the county in which the affidavit was filed. The claim for credit or reimbursement shall be disallowed in full and if the claim has been paid the amount pay-be-recovered-by assessment-in-the-manner-that-income-taxes-are-assessed pursuant-to-sections-422-26-and-422-39 shall be recovered in the manner provided in section four hundred twenty-five point twenty-seven (425.27) of the Code. The director of revenue shall send a notice of disallowance of the claim.

Sec. 15. Section four hundred twenty-five point thirty-

two (425.32), Code 1979, is amended to read as follows:

425.32 DISALLOWANCE OF CERTAIN CLAIMS. A claim for reimbursement credit shall be disallowed if the Department finds that the claimant or a person of his the claimant's household received title to his the homestead primarily for the purpose of receiving benefits under this division.

Sec. 16. Section four hundred twenty-five point thirty-nine (425.39), Code 1979, is amended to read as follows:

425.39 FUND CREATED--APPROPRIATION. There is appropriated annually from the general fund of the state to the department of revenue to be credited to the extraordinary property tax credit and reimbursement fund, which fund is hereby created, from funds not otherwise appropriated, an amount sufficient to carry out the provisions of this division.

Sec. 17. Chapter four hundred twenty-five (425), Code 1979, is amended by adding the following new section to the division on property tax relief for the elderly and disabled:

NEW SECTION. In the case of a special charter city which levies and collects its own taxes, the appropriate city official shall be responsible for carrying out the duties and responsibilities imposed under this division upon the county treasurer.

Sec. 18. Section four hundred twenty-five point thirty-eight (425.38), Code 1979, is repealed.

Sec. 19. Notwithstanding any provision of this Act, the right to file a claim for reimbursement for property taxes paid in the fiscal year ending in the 1979 calendar year under sections four hundred twenty-five point sixteen (425.16) to four hundred twenty-five point thirty-nine (425.39) of the Code is not abridged and the procedures for filing the claim for reimbursement, the verification of the claim, the determination of the amount of the claim and the payment of the claim shall be as specified under sections four hundred twenty-five point sixteen (425.16) to four hundred twenty-five point thirty-nine (425.39) of the Code before the

effective date of this Act. A person filing a claim for reimbursement for property taxes paid in the fiscal year ending in the 1979 calendar year is not precluded from filing a claim for credit for property taxes due under the provisions of this Act.

Sec. 20. This Act is effective July 31, 1979.

TERRY E. BRANSTAD
President of the Senate

FLOYD H. MILLEN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 495, sixty-eighth General Assembly.

FRANK J. STORK
Secretary of the Senate

Approved June 4, 1979

ROBERT D. RAY
Governor