

WAYS AND MEANS: Gratias, Chair; Boswell and Dieleman

SENATE FILE 384
BY RITSEMA

FILED MAR 5 1985

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act to extend the homestead exemption to cover shareholders
2 owning at least 50 percent of small incorporated family
3 farms.

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

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STATE OF IOWA

Requested by Sen. Ritsema
LSB No. 1665S
Staff ID. CMG

FISCAL NOTE

FILED MAR 21 1985

In compliance with a written request received January 30, 1985, a fiscal note for SENATE FILE 384 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

SENATE FILE 384 extends the homestead exemption. The definition of 'Homestead' is broadened to include the former homestead of a stockholder who owns at least 50 percent of the stock of a family farm corporation and resides in a dwelling house located on the farm owned by the family farm corporation. The corporation shall own no more than 500 acres of agricultural land and the homestead shall have been transferred by the shareholder to the corporation upon its incorporation.

FISCAL EFFECT The impact of Senate File 384 would be a minimal increase in state expenditures.

Source: Department of Revenue

(LSB 1665S, CMG)

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1 Section 1. Section 561.16, Code 1985, is amended to read
2 as follows:

3 561.16 EXEMPTION.

4 The homestead of every person is exempt from judicial sale
5 where if there is no special declaration of statute to the
6 contrary, provided that persons who reside together as a
7 single household unit are entitled to claim in the aggregate
8 only one homestead to be exempt from judicial sale. For
9 purposes of this section, "household":

10 1. "Homestead" includes the former homestead of a
11 stockholder who owns at least fifty percent of the stock of a
12 family farm corporation and resides in a dwelling house
13 located on the farm owned by the family farm corporation if
14 the corporation owns no more than five hundred acres of
15 agricultural land and the homestead was transferred by the
16 shareholder to the corporation upon its incorporation.

17 2. "Household unit" means all persons of whatever ages,
18 whether or not related, who habitually reside together in the
19 same household as a group.

20 EXPLANATION

21 This bill extends the homestead exemption to cover share-
22 holders owning at least 50 percent of small incorporated
23 family farms.

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