

### 425.15 Disabled veteran tax credit.

1. If the owner of a homestead allowed a credit under [this chapter](#) is any of the following, the credit allowed on the homestead from the homestead credit fund shall be the entire amount of the tax levied on the homestead:

a. A veteran of any of the military forces of the United States, who acquired the homestead under 38 U.S.C. §21.801, 21.802, prior to August 6, 1991, or under 38 U.S.C. §2101, 2102.

b. A veteran as defined in [section 35.1](#) with a permanent service-connected disability rating of one hundred percent, as certified by the United States department of veterans affairs, or a permanent and total disability rating based on individual unemployability that is compensated at the one hundred percent disability rate, as certified by the United States department of veterans affairs.

c. A former member of the national guard of any state who otherwise meets the service requirements of [section 35.1, subsection 2](#), paragraph “b”, subparagraph (2) or (7), with a permanent service-connected disability rating of one hundred percent, as certified by the United States department of veterans affairs, or a permanent and total disability rating based on individual unemployability that is compensated at the one hundred percent disability rate, as certified by the United States department of veterans affairs.

d. An individual who is a surviving spouse or a child and who is receiving dependency and indemnity compensation pursuant to 38 U.S.C. §1301 et seq., as certified by the United States department of veterans affairs.

2. a. For an owner described in [subsection 1](#), paragraph “a”, “b”, or “c”, the credit allowed shall be continued to the estate of an owner who is deceased or the surviving spouse and any child, as defined in [section 234.1](#), who are the beneficiaries of a deceased owner, so long as the surviving spouse remains unmarried.

b. An individual described in [subsection 1](#), paragraph “d”, is no longer eligible for the credit upon termination of dependency and indemnity compensation under 38 U.S.C. §1301 et seq.

3. An owner or a beneficiary of an owner who elects to secure the credit provided in [this section](#) is not eligible for any other real property tax exemption provided by law for veterans of military service.

4. If an owner acquires a different homestead, the credit allowed under [this section](#) may be claimed on the new homestead unless the owner fails to meet the other requirements of [this section](#).

5. For purposes of [this section](#), “*permanent and total disability rating based on individual unemployability*” means a condition under which a person has either a permanent service-connected disability rating of sixty percent or two or more permanent service-connected disability conditions in which one of the conditions has at least a forty percent rating and the combined rating for all the conditions is at least seventy percent, and the person has an administrative adjustment added to the service-connected disability rating, due to individual unemployability, such that the United States department of veterans affairs rates the veteran permanently and totally disabled for purposes of disability compensation.

[C71, 73, 75, 77, 79, 81, §425.15]

90 Acts, ch 1250, §7; 2002 Acts, ch 1151, §16, 36; 2014 Acts, ch 1117, §1 – 3; 2014 Acts, ch 1141, §22; 2015 Acts, ch 6, §1 – 5

Referred to in [§25B.7](#)

2014 amendment by 2014 Acts, ch 1117 takes effect May 26, 2014, and applies to applications for the disabled veteran tax credit filed on or after that date; 2014 Acts, ch 1117, §2, 3

2015 amendments take effect March 5, 2015, and apply retroactively to May 26, 2014, for homestead credit applications filed on or after that date; 2015 Acts, ch 6, §4, 5

For provisions relating to the allowance and funding of disabled veteran tax credit claims filed after July 1, 2014, but before July 1, 2015, see 2015 Acts, ch 116, §21 – 23 and 2015 Acts, ch 138, §158 – 160

Subsection 1, paragraphs b, c, and d amended

Subsection 2, paragraph b amended

NEW subsection 5