

541B.3 First-time homebuyer savings account.**1. Establishment of account.**

a. Beginning January 1, 2018, an individual may open an interest-bearing savings account with a financial institution and designate the entire account as a first-time homebuyer savings account for the purpose of paying or reimbursing a designated beneficiary's eligible home costs in connection with a qualified home purchase. The first-time homebuyer savings account designation shall be made no later than April 30 of the year following the tax year during which the account is opened, on forms provided by the department.

b. A married couple electing to file a joint Iowa individual income tax return may establish a joint first-time homebuyer savings account. Married taxpayers electing to file separate tax returns or separately on a combined tax return for Iowa tax purposes shall not establish or maintain a joint first-time homebuyer savings account.

c. An individual may establish more than one first-time homebuyer savings account, provided each account has a different designated beneficiary.

2. Designation of beneficiary.

a. The account holder shall designate one individual as beneficiary of the first-time homebuyer savings account. The designation shall be made on forms provided by the department and no later than April 30 of the year following the tax year during which the account is opened. The account holder may change the designated beneficiary of the first-time homebuyer savings account at any time.

b. The account holder and designated beneficiary of a first-time homebuyer savings account may be the same individual.

c. An individual may be the designated beneficiary of more than one first-time homebuyer savings account.

d. The designated beneficiary of a first-time homebuyer savings account must be a first-time homebuyer.

[2017 Acts, ch 116, §5](#)

Referred to in [§541B.2](#), [§541B.7](#)

NEW section