

CHAPTER 62
RENT REIMBURSEMENT

Chapter rescission date pursuant to Iowa Code section 17A.7: 8/1/30

441—62.1(425) Eligible claimants. This rule is effective for rent reimbursement claims received by the department on or after January 1, 2023.

62.1(1) The rent reimbursement program is available to claimants who:

- a. Were at least 23 years of age or a head of household on December 31 of the base year,
- b. Were not or will not be claimed as a dependent on another person's federal or state income tax return for the base year in the case of a claimant who is not disabled or at least 65 years of age,
- c. Did not have household income in excess of the indexed amount determined pursuant to Iowa Code section 425.23(4) during the base year,
- d. Are domiciled in Iowa at the time the claim is filed or were at the time of the claimant's death, and occupied and rented the property during any part of the base year.

62.1(2) If a homestead is occupied by two or more eligible claimants, each person may file a claim based upon each person's income and each person's share of the rent paid.

62.1(3) The computed reimbursement shall be determined in accordance with the applicable schedule provided in Iowa Code section 425.23(1) as adjusted by the indexed amount determined in Iowa Code section 425.23(4).

This rule is intended to implement Iowa Code sections 425.16(2) "b," 425.17(2) and 425.23.

[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.2(425) Dual claims.

62.2(1) A claimant changing homesteads during the base year who will make property tax payments during the fiscal year following the base year and who also made rent payments during the base year is entitled to receive both a property tax credit and rent reimbursement.

62.2(2) Claimants must file separate claim forms for the property tax credit and the rent reimbursement with the county treasurer and the department, respectively.

62.2(3) The claims are to be based on the actual property tax due and rent constituting property tax paid, with a combined maximum of \$1,000 upon which the credit and reimbursement can be calculated.

EXAMPLE: \$800 property tax due

\$400 rent constituting property taxes paid

- a. The claim form for calculating the property tax credit must reflect the entire \$800 amount.
- b. The claim form for calculating the rent reimbursement must reflect only the remaining \$200 of the \$1,000 maximum allowance.
- c. The department will issue refund warrants for rent reimbursement claims. The county treasurer will apply the credit.

This rule is intended to implement Iowa Code section 425.24.

[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.3(425) Multipurpose building.

62.3(1) A multipurpose building is a building that is used for other purposes in addition to being used for living accommodations. If a portion of a homestead property is utilized for business purposes, the property is considered to be a multipurpose building.

62.3(2) The portion of the property tax due or rent constituting property tax paid attributable to the homestead only is to be used in determining the allowable credit or reimbursement. This portion is to be calculated by determining the percentage of the homestead square footage to the square footage of the entire multipurpose structure. This percentage is then to be applied to the property tax due in the current fiscal year or rent constituting property tax paid for the base year.

This rule is intended to implement Iowa Code section 425.17(8).

[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.4(425) Income.

62.4(1) Income includes the amount of in-kind assistance received by the claimant for housing expenses, such as federal rent subsidy payments made directly to the landlord on behalf of the claimant and energy assistance benefits received by the claimant from or through a public utility.

62.4(2) In determining income, net operating losses and net capital losses are not to be considered. If the comparison of gains and losses results in a net gain, such amount shall be considered income. If the comparison results in a net loss, the net loss shall be disregarded.

This rule is intended to implement Iowa Code section 425.17(7).

[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.5(425) Simultaneous homesteads. A person who rents one property and also rents another property for a simultaneous period of time is limited to claiming rent reimbursement on the property that is considered the person's domicile.

This rule is intended to implement Iowa Code section 425.17(4).

[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.6(425) Mobile, modular, and manufactured homes. Rent paid by an eligible claimant for occupancy of a mobile, modular, or manufactured home subject to the annual tax as provided in Iowa Code chapter 435 is subject to reimbursement regardless of how the home is taxed.

This rule is intended to implement Iowa Code section 425.17(4).

[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.7(425) Totally disabled.

62.7(1) A claimant is considered totally disabled only if the physical or mental impairment or impairments are of such severity that the claimant is not only unable to do work previously performed but cannot, considering the claimant's age, education, and work experience, engage in any other kind of substantial gainful work that exists in the national economy, regardless of whether such work exists in the immediate area in which the claimant lives, or whether a specific job vacancy exists, or whether the claimant would be hired if the claimant applied for work.

62.7(2) For purposes of this rule, a person shall not be considered unable to engage in substantial gainful employment unless the person has attained the age of 18 on or before December 31 of the base year.

This rule is intended to implement Iowa Code section 425.17(11).

[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.8(425) Household. "Household" includes the claimant and the claimant's spouse if living with the claimant at any time during the base year. "Living with" does not include a temporary visit. Only one claimant per household is entitled to a reimbursement.

This rule is intended to implement Iowa Code sections 425.17(5) and 425.22.

[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.9(425) Homestead. A person who owns a homestead but is confined to a care facility shall be considered as occupying the owned homestead, provided the person does not lease or otherwise receive profits from others for the use of the homestead. The person shall be eligible for a property tax credit but shall not be eligible for a rent reimbursement.

This rule is intended to implement Iowa Code section 425.17(4).

[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.10(425) Gross rent/rent constituting property taxes paid. "Gross rent" means the total amount of rent paid for use of the homestead by the claimant.

This rule is intended to implement Iowa Code section 425.17(3).

[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.11(425) Leased land. An individual who owns a dwelling located on land owned by another may claim a credit of property taxes due on the dwelling and a reimbursement of rental payments made for the use of the land if the land has been assessed for taxation.

This rule is intended to implement Iowa Code section 425.17(4).
[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.12(425) Property: taxable status. In order for a claimant to be eligible to file a rent reimbursement claim, the property upon which the claimant resided during the base year must have been in a taxable status during the base year. If the property was taxable for only part of the base year, the rent reimbursement must be prorated accordingly (OP.ST. BD. Tax Rev. 187). However, this restriction does not apply to property that became tax exempt on or after July 1, 1986, provided the claimant received a reimbursement of rent constituting property taxes paid on the property when it was in a taxable status and continues to reside in the same property.

This rule is intended to implement Iowa Code section 425.17(4).
[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.13(425) Income: spouse. The income of a spouse does not have to be reported on the claimant's return unless the spouse lived with the claimant at the property upon which rent reimbursement is claimed. If the spouse lived with the claimant for only a portion of the base year, only that portion of the spouse's income that was received while living with the claimant must be reported as income on the claimant's return. If the spouse is eligible to claim reimbursement, the spouse does not have to include any income that was reported on the other claimant's (spouse's) return.

This rule is intended to implement Iowa Code section 425.17(6).
[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.14(425) Common law marriage.

62.14(1) A common law marriage is a social relationship between two persons that meets all the necessary requisites of a marriage except that it was not solemnized, performed, or witnessed by an official authorized by law to perform marriages.

62.14(2) The necessary elements of a common law marriage are:

- a. A present intent of both parties freely given to become married,
- b. A public declaration by the parties or a holding out to the public that they are spouses,
- c. Continuous cohabitation together as spouses (this means consummation of the marriage), and
- d. Capability of both parties to enter into the marriage relationship.

62.14(3) No special time limit is necessary to establish a common law marriage.

This rule is intended to implement Iowa Code section 425.17.
[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.15(425) Audit of claim.

62.15(1) Authority. The department may investigate the eligibility of a claimant for rent reimbursement.

62.15(2) Recomputed rent reimbursement claim. If the department determines a computed rent reimbursement is in error, the department shall collect any overpayment from the claimant or reimburse the claimant for any underpayment. If a claimant fails to reimburse the department for an overpayment, the amount of overpayment shall be deducted from any future rent reimbursement to which the claimant is entitled.

This rule is intended to implement Iowa Code section 425.27.
[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.16(425) Extension of time for filing a claim. The granting of an extension of time for filing a claim for reimbursement does not extend the time within which or the dates on or by which eligibility requirements must be satisfied.

This rule is intended to implement Iowa Code section 425.20.
[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.17(425) Proration of claims. If the director or the director's designee determines that the amount of funding provided pursuant to Iowa Code section 425.39 will be insufficient to pay all rent

reimbursement claims filed, the director or the director's designee will estimate the percentage at which the claims will be paid and will prorate the payment of each rent reimbursement claim by the same estimated percentage.

This rule is intended to implement Iowa Code sections 25B.7 and 425.39.

[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.18(425) Unreasonable hardship. In order to avoid any unreasonable hardship to a claimant, the director or the director's designee may review the facts and circumstances of the claim as set forth by the claimant. The director or the director's designee may investigate all factors related to the specific case as deemed appropriate by the director or the director's designee. If the director or the director's designee is satisfied that the claim qualifies as an undue hardship for the claimant, the claim will be approved by the director or the director's designee.

This rule is intended to implement Iowa Code section 425.37.

[ARC 9309C, IAB 5/28/25, effective 8/1/25]

441—62.19(425) Appeal. Notice of adverse action taken by the department shall be issued in accordance with 441—Chapter 16, and the right to appeal shall be given in accordance with 441—Chapter 2506.

This rule is intended to implement Iowa Code chapter 17A.

[ARC 9309C, IAB 5/28/25, effective 8/1/25; Editorial change: IAC Supplement 6/10/26]

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