
FISCAL TOPICS

Fiscal Services Division

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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

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Housing Trust Fund Real Estate Transfer Tax

Purpose

The [Housing Trust Fund](#) is created within the Iowa Finance Authority (IFA) under Iowa Code section [16.181](#) and receives funding under Iowa Code section [428A.8](#). The moneys in the Housing Trust Fund are annually appropriated to the IFA to be used for the development and preservation of affordable housing for low-income people in the State and for the Iowa mortgage help initiative. Payment of interest, recaptures of awards, or other repayments to the Housing Trust Fund are also deposited in the Fund. Notwithstanding Iowa Code section [12C.7](#), interest or earnings on moneys in the Fund are credited to the Fund. Notwithstanding Iowa Code section [8.33](#), unencumbered and unobligated moneys remaining in the Fund at the close of each fiscal year do not revert and remain available for expenditure for the same purposes in the succeeding fiscal year.

Fund Revenue

The Housing Trust Fund receives 30.0% of the State's share of Real Estate Transfer Tax receipts subject to a limit of \$3.0 million. The State's share of Real Estate Transfer Tax receipts was approximately \$23.3 million in FY 2019. Therefore, the Housing Trust Fund would have received approximately \$7.0 million if the \$3.0 million limit was not in place. Any amount above the limit is deposited in the General Fund.

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More Information:

State Housing Trust Fund: www.iowafinance.com/state-housing-trust-fund
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