

Reprinted 5/3

SENATE FILE 376

By COMMITTEE ON WAYS AND MEANS

FILLED MAR 19 1973

Senate File 376
Shaw, Chairman
Andersen
McCartney
Scott
Willits

*Aggr. Com -
Amend - Pass 4/9*

Passed Senate, Date 5-3-73 (1086) Passed House, Date _____

Vote: Ayes 49 Nays 2 Vote: Ayes _____ Nays _____

Approved _____

*Passed Senate per House amendment
6-23-73*

A BILL FOR

1 An Act to provide property tax relief by providing a reim-
2 bursement for property taxes paid and rent constituting
3 property taxes paid for persons sixty-five years of age
4 or totally disabled, providing a penalty, and making an
5 appropriation therefor.

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

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1 Section 1. Chapter four hundred twenty-five (425), Code
2 1973, is amended by adding sections two (2) through eighteen
3 (18), inclusive, of this Act.

4 Sec. 2. NEW SECTION. ADDITIONAL TAX CREDIT. In lieu
5 of the homestead tax credit allowed under section four hundred
6 twenty-five point one (425.1), subsections one (1) through
7 four (4), inclusive, of the Code, persons who own or rent
8 their homesteads and who meet the qualifications provided
9 in this Act are eligible for an extraordinary property tax
10 reimbursement applicable to property taxes payable in the
11 fiscal year beginning July 1, 1974 and any subsequent fiscal
12 year.

13 Sec. 3. NEW SECTION. DEFINITIONS. As used in this Act,
14 unless the context otherwise requires:

15 1. "Income" means the sum of Iowa net income as defined
16 in section four hundred twenty-two point seven (422.7) of
17 the Code, the amount of capital gains excluded from net income,
18 alimony, child support money, cash public assistance and re-
19 lief, except property tax relief granted under this Act, the
20 gross amount of any pension or annuity, including but not
21 limited to railroad retirement benefits, all payments received
22 under the federal social security act, and all military re-
23 tirement and veteran's disability pension, nontaxable interest
24 received from the state or federal government or any of its
25 instrumentalities, workmen's compensation, and the gross
26 amount of "loss of time" insurance. "Income" does not include
27 gifts from nongovernmental sources, or surplus foods or other
28 relief in kind supplied by a governmental agency.

29 2. "Household" means a claimant, spouse, and any person
30 related to the claimant or spouse and living with the claimant.

31 3. "Household income" means all income received by all
32 persons of a household in a twelve-month income tax account-
33 ing period while members of the household.

34 4. "Homestead" means the dwelling, whether owned or rented,
35 and so much of the land surrounding it, not exceeding one-

1 half acre, as is reasonably necessary for use of the dwelling
2 as a home, and may consist of a part of a multi-dwelling or
3 multi-purpose building and a part of the land upon which it
4 is built. It does not include personal property except a
5 mobile home may be a homestead. Any dwelling or a part of a
6 multi-dwelling or multi-purpose building which is exempt from
7 taxation shall not qualify as a homestead under the provisions
8 of this Act.

9 5. "Claimant" means a person filing a claim for reimburse-
10 ment under this Act who has attained the age of sixty-five
11 years of age or older or who was totally disabled on or be-
12 fore December thirty-first of the previous calendar year,
13 and was domiciled in this state during the entire calendar
14 year for which the claim for relief is based. "Claimant"
15 includes a vendee in possession under a contract for deed
16 and of one or more joint tenants or tenants in common. In
17 the case of a claim for rent constituting property taxes
18 accrued, the claimant shall have rented the property during
19 any part of the year for which he files a claim for
20 reimbursement. When two persons of a household are able to
21 meet the qualifications for a claimant, they may determine
22 between them who will be the claimant. If they are unable
23 to agree, the matter shall be referred to the director of
24 revenue not later than July thirty-first of each year and
25 his decision shall be final. If a homestead is occupied by
26 two or more persons, and more than one person is able to
27 qualify as a claimant, and some or all of the qualified persons
28 are not related, the persons may determine among them who
29 will be the claimant. If they are unable to agree, the matter
30 shall be referred to the director of revenue not later than
31 July thirty-first of each year and his decision shall be
32 final.

33 6. "Totally disabled" means the inability to engage in
34 any substantial gainful employment by reason of any medically
35 determinable physical or mental impairment which can be ex-

1 pected to result in death or which has lasted or can be ex-
2 pected to last for a continuous period of not less than twelve
3 months.

4 7. "Rent constituting property taxes accrued" means twenty
5 percent of the gross rent actually paid in cash or its equi-
6 valent during the preceding calendar year by the claimant
7 or his household solely for the right of occupancy of their
8 homestead in that calendar year, and which rent constitutes
9 the basis, in the succeeding year, of a claim for reimburse-
10 ment under this Act by the claimant.

11 8. "Gross rent" means rental paid at arm's length solely
12 for the right of occupancy of a homestead, exclusive of charges
13 for any utilities, services, furniture, furnishings, or per-
14 sonal property appliances furnished by the landlord as a part
15 of the rental agreement whether or not expressly set out in
16 the rental agreement. If the landlord and tenant have not
17 dealt with each other at arm's length, and the director of
18 revenue is satisfied that the gross rent charged was exces-
19 sive, he may adjust the gross rent to a reasonable amount
20 as determined by the director. If the landlord does not sup-
21 ply the charges for any utilities, services, furniture, fur-
22 nishings, or personal property appliances furnished by him,
23 or if the charges appear to be incorrect, the director of
24 revenue may apply a percentage determined from samples of
25 similar gross rents paid solely for the right of occupancy.

26 9. "Property taxes accrued" means property taxes, exclu-
27 sive of special assessments, delinquent interest, and charges
28 for services, levied on a claimant's homestead in this state.
29 Claims for property tax reimbursement filed in 1974 and 1975
30 shall be limited to two-thirds of the gross amount of prop-
31 erty taxes levied in 1973 and collectible in 1974 and the
32 first one-half of 1975. Commencing with 1976, each claim
33 shall be based upon the property taxes levied in 1975 pursuant
34 to section four hundred forty-four point nine (444.9) of the
35 Code, as amended by the Acts of the General Assembly, 1972

1 Session, chapter one thousand twenty (1020), section seventy-
 2 three (73). Each year thereafter, each claim shall be based
 3 upon the taxes levied and paid during the previous year.
 4 If a homestead is owned by two or more persons as joint ten-
 5 ants or tenants in common, and one or more persons are not
 6 a member of claimant's household, "property taxes accrued"
 7 is that part of property taxes levied on the homestead which
 8 equals the ownership percentage of the claimant and his house-
 9 hold. The county treasurer shall include with the tax bill
 10 a statement that if the owner of the property is sixty-five
 11 years of age or over or is totally disabled, he may be eligi-
 12 ble for the credit allowed under this Act. If a claimant
 13 and his spouse own the homestead part of the preceding cal-
 14 endar year and rent it or a different homestead for part of
 15 the same year, "property taxes accrued" means only the prop-
 16 erty taxes levied on the homestead when both owned and occu-
 17 pied by the claimant at the time of the levy, multiplied by
 18 the percentage of twelve months that such property was owned
 19 and occupied by the household as its homestead during the
 20 preceding year. When a household owns and occupies two or
 21 more different homesteads in this state in the same calendar
 22 year, property taxes accrued shall relate only to that property
 23 occupied by the household as a homestead on the levy date.
 24 If a homestead is an integral part of a farm, the claimant
 25 may use the total property taxes accrued for the larger unit,
 26 but not exceeding forty acres of land. If a homestead is
 27 an integral part of a multi-dwelling or multi-purpose building
 28 the property taxes accrued by the claimant for the purpose
 29 of this subsection shall be prorated to reflect the portion
 30 which the value of the property that the household occupies
 31 as its homestead is to the value of the entire structure.
 32 For purposes of this subsection, "unit" refers to that parcel
 33 of property covered by a single tax statement of which the
 34 homestead is a part.

35 Sec. 4. NEW SECTION. CLAIM IS PERSONAL. The right to

1 file a claim under this Act shall be personal to the claimant
2 and shall not survive his death, but the right may be exer-
3 cised on behalf of a claimant by his legal guardian or attor-
4 ney. If a claimant dies after having filed a claim, the
5 amount of the reimbursement may be paid to another member
6 of the household as determined by the director. If the
7 claimant was the only member of his household, the
8 reimbursement may be paid to his executor or administrator,
9 but if neither is appointed and qualified within one year
10 from the date of the filing of the claim, the reimbursement
11 shall escheat to the state.

12 Sec. 5. NEW SECTION. CLAIM AS REIMBURSEMENT. Subject
13 to the limitations provided in this Act, a claimant may claim
14 in any year a reimbursement for property taxes accrued or
15 rent constituting property taxes accrued in the preceding
16 year. The amount of the reimbursement for property taxes
17 accrued for a homestead, after audit or certification by the
18 director, shall be paid to the claimant and the treasurer
19 of the county in which the homestead of the claimant is located
20 and to the claimant only for rent constituting property taxes
21 accrued from the state general fund on or before September
22 twenty-fifth of each year commencing in 1974. If the amount
23 of the reimbursement to the claimant and county treasurer
24 exceeds the tax due by the claimant for property taxes accrued
25 on October first, the county treasurer shall credit the
26 remainder of the reimbursement to be applied against property
27 taxes collectible on or about April first of the next calendar
28 year with any remaining excess to be paid by the county
29 treasurer to the claimant or his agent.

30 Sec. 6. NEW SECTION. FILING DATE. A claim for reimburse-
31 ment of property taxes accrued or rent constituting property
32 taxes accrued shall not be paid or allowed, unless the claim
33 is actually filed with and in the possession of the department
34 of revenue after May first and on or before July thirty-first
35 beginning in 1974.

1 In case of sickness, absence, or other disability of the
 2 claimant or if, in the judgment of the director of revenue,
 3 good cause exists and the claimant requests an extension prior
 4 to August first, the director may extend the time for filing
 5 a claim for reimbursement for a period not to exceed three
 6 months.

7 Sec. 7. NEW SECTION. SATISFACTION OF OUTSTANDING TAX
 8 LIABILITIES. The amount of any claim for reimbursement pay-
 9 able under this Act may be applied by the department of reve-
 10 nue against any tax liability outstanding on the books of
 11 the department against the claimant, or against a spouse who
 12 was a member of the claimant's household in the year to which
 13 the claim relates.

14 Sec. 8. NEW SECTION. ONE CLAIMANT PER HOUSEHOLD. Only
 15 one claimant per household per year shall be entitled to re-
 16 imbursement under this Act.

17 Sec. 9. NEW SECTION. SCHEDULE FOR CLAIMS FOR REIMBURSE-
 18 MENT. The amount of any claim for reimbursement filed under
 19 this Act shall be determined according to the following
 20 schedule:

	Percent of Property Taxes Accrued or Rent Constituting Property Taxes Accrued Allowed As A Reimbursement:
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33 In lieu of the amount of the tax reimbursement provided in
 34 this section, those persons who have household income, as
 35 defined in this Act, not exceeding four thousand dollars for

1 the last twelve-month income tax accounting period who re-
2 ceived a one hundred twenty-five dollar property tax credit
3 or the amount of their property tax not exceeding one hundred
4 twenty-five dollars as a credit in 1973 may elect to receive
5 a credit equal to the credit received in 1973 in lieu of all
6 other credits or refunds authorized by this Act and section
7 four hundred twenty-five point one (425.1) of the Code. In
8 lieu of tax reimbursement provided for in this Act, a person
9 with a household income exceeding four thousand dollars for
10 the last twelve-month income tax accounting period may choose
11 to receive the amount of the homestead tax credit as deter-
12 mined under section four hundred twenty-five point one (425.1)
13 of the Code.

14 Sec. 10. NEW SECTION. MAXIMUM PROPERTY TAX. In any case
15 in which property taxes accrued or rent constituting property
16 taxes accrued in any one year for any household exceeds five
17 hundred dollars, the amount of property taxes accrued or rent
18 constituting property taxes accrued shall be deemed to have
19 been five hundred dollars for purposes of this Act.

20 Sec. 11. NEW SECTION. ADMINISTRATION. The director of
21 revenue shall make available suitable forms with instructions
22 for claimants. The claim shall be in such form as the di-
23 rector may prescribe. The director may also devise a tax
24 reimbursement table, with amounts rounded to the nearest whole
25 dollar. Reimbursements in the amount of less than one dollar
26 shall not be paid.

27 Sec. 12. NEW SECTION. PROOF OF CLAIM. Every claimant
28 shall give the department of revenue, in support of his claim
29 reasonable proof of:

30 1. Age;

31 2. Property taxes accrued or rent constituting property
32 taxes accrued, including the portion of gross rent paid for
33 providing utilities, services, furniture, furnishings, and
34 personal property appliances, and the name and address of
35 the owner or manager of the property rented;

- 1 3. Changes of homestead;
- 2 4. Household membership;
- 3 5. Household income;
- 4 6. Size and nature of property claimed as the homestead;
- 5 and
- 6 7. A statement that the property taxes accrued and used
- 7 for purposes of this Act have been or will be paid by him,
- 8 and that there are no delinquent property taxes on the home-
- 9 stead.

10 The director may require any additional proof necessary
11 to support a claim.

12 Sec. 13. NEW SECTION. AUDIT OF CLAIM. If on the audit
13 of any claim for reimbursement under this Act, the director
14 determines the amount of the claim to have been incorrectly
15 calculated, he shall recalculate the claim and notify the
16 claimant of the recalculation and his reasons for it. The
17 director shall not adjust any claim after two years from the
18 date on which the claim was filed or July thirty-first of
19 the year in which the claim was filed, whichever is later.
20 If the claim for reimbursement has been paid, the amount may
21 be recovered by assessment in the same manner that income
22 taxes are assessed under sections four hundred twenty-two
23 point twenty-six (422.26) and four hundred twenty-two point
24 thirty (422.30) of the Code. The reimbursement allowed shall
25 not be less than the homestead exemption provided under this
26 Act. The recalculation of the claim shall be final unless
27 appealed to the state board of tax review within thirty days
28 of notice from the director of revenue.

29 Sec. 14. NEW SECTION. WAIVER OF CONFIDENTIALITY. A
30 claimant shall expressly waive any right to confidentiality
31 relating to all income tax information obtainable through
32 the department of revenue, including all information covered
33 by section four hundred twenty-two point seventy-two (422.72)
34 of the Code. This waiver shall apply to information available
35 to the county or city assessor who shall hold the information

1 confidential except that it may be used as evidence to dis-
2 allow the credit.

3 Sec. 15. NEW SECTION. FALSE CLAIM--PENALTY. Any person
4 making a false affidavit for the purpose of obtaining reim-
5 bursement provided for in this Act or who knowingly receives
6 the reimbursement without being legally entitled to it or
7 makes claim for the reimbursement in more than one county
8 in the state shall be guilty of a misdemeanor, and upon
9 conviction shall be fined not more than one hundred dollars
10 or imprisoned in the county jail for not more than thirty
11 days or be subject to both such fine and imprisonment. An
12 action under this section shall be brought in the county in
13 which the affidavit was filed. The claim for reimbursement
14 shall be disallowed in full and if the claim has been paid
15 the amount may be recovered by assessment in the manner that
16 income taxes are assessed pursuant to sections four hundred
17 twenty-two point twenty-six (422.26) and four hundred twenty-
18 two point thirty (422.30) of the Code.

19 Sec. 16. NEW SECTION. RENTAL DETERMINATION. If a home-
20 stead is rented by a person from another person under cir-
21 cumstances deemed by the director of revenue not to be at
22 arm's length, he may determine the rent constituting property
23 taxes accrued at arm's length, and for the purposes of this
24 subsection, the determination shall be final.

25 Sec. 17. NEW SECTION. APPEALS. Any person aggrieved
26 by the denial of a reimbursement in whole or in part claimed
27 under this Act, except where the denial is based upon late
28 filing of a claim or as provided by this Act, may appeal the
29 denial to the state board of tax review by filing a petition
30 with the board within thirty days from the date the claim
31 was denied.

32 Sec. 18. NEW SECTION. DISALLOWANCE OF CERTAIN CLAIMS.
33 A claim for reimbursement shall be disallowed if the depart-
34 ment finds that the claimant received title to his homestead
35 primarily for the purpose of receiving benefits under this

1 Act.

2 Sec. 19. NEW SECTION. NOTIFY COUNTY TREASURERS. In 1975
3 and each year thereafter, the director shall file a list of
4 names with the county treasurer of all claimants who have
5 filed a claim for property tax relief under this Act and
6 instruct the county treasurer to deny the homestead tax credit
7 allowed, if any. The county treasurer shall notify the
8 director of any adjustments which he is required to make.

9 Sec. 20. NEW SECTION. The provisions of section four
10 hundred twenty-five point one (425.1), subsection five (5)
11 of the Code which are applicable to claims for credit filed
12 on or before July 1, 1973, shall remain applicable to those
13 claims, subject to the provisions of this section.

14 Claims filed on or before July 1, 1973, pursuant to sec-
15 tion four hundred twenty-five point one (425.1), subsection
16 five (5) of the Code shall be for credit on taxes levied and
17 collectible for the period commencing January 1, 1974 and
18 ending June 30, 1974, if the owner is sixty-five years of
19 age or over, or is totally disabled, and provided his Iowa
20 net income, as defined in section four hundred twenty-two
21 point seven (422.7) of the Code, plus interest and dividends
22 from federal securities and income from social security and
23 other tax-exempt retirement or pension plans, when included
24 with that of the spouse, brother, sister, son, daughter, if
25 any, living with the owner, is less than four thousand dollars
26 for the last twelve-month income tax accounting period. The
27 credit allowed by the county auditor on the taxes levied and
28 collectible for the period beginning January 1, 1974 and
29 ending June 30, 1975, on such owner's eligible homestead shall
30 be equal to sixty-two dollars and fifty cents, except that
31 the credit shall not exceed one-third the amount of the
32 property taxes levied and collectible on the homestead for
33 the period beginning January 1, 1974 and ending June 30, 1975,
34 and shall be credited against the first one-third payment
35 of property taxes collectible on or about April 1, 1974.

1 The credit shall be paid to each taxing district from the
2 homestead tax credit fund in the same manner as the regular
3 homestead tax credit and all other nonconflicting provisions
4 and computations in chapter four hundred twenty-five (425)
5 of the Code shall be applicable to the credit provided by
6 this section.

7 In 1974, if a taxpayer elects to claim the reimbursement
8 provided under sections two (2) through seventeen (17), inclu-
9 sive, of this Act, he shall not be entitled to receive the
10 regular homestead credit allowed pursuant to section four
11 hundred twenty-five point one (425.1), subsections one (1)
12 through four (4) of the Code for the second half of 1974 and
13 the first half of 1975. The department shall notify the
14 county treasurer of all homeowners who have filed a claim
15 for property tax reimbursement under this section and instruct
16 the county treasurer to deny the homestead credit allowed,
17 if any, for the last half of 1974 and the first half of 1975.
18 The county treasurer shall notify the director of revenue
19 of any adjustments which the county treasurer is required
20 to make.

21 Sec. 21. NEW SECTION. FUND CREATED--APPROPRIATION. There
22 is appropriated annually from the general fund of the state
23 to the department of revenue to be credited to the extraor-
24 dinary property tax reimbursement fund, which fund is hereby
25 created, funds not otherwise appropriated, an amount suf-
26 ficient to carry out the provisions of this Act.

27 Sec. 22. Effective July 2, 1973, section four hundred
28 twenty-five point one (425.1), Code 1973, is amended by strik-
29 ing subsection five (5).

30 EXPLANATION

31 This bill provides a property tax reimbursement for per-
32 sons sixty-five years of age or older and persons who are
33 totally disabled, whether the homestead is owned or rented,
34 and providing they have household income less than \$6,000.
35 Renters compute 20% of their rental paid as rent constituting

1 property taxes accrued. Eligible persons will be able to
2 file a claim for reimbursement of property taxes or rent
3 constituting property taxes according to a graduated schedule
4 which allows a greater percent of reimbursement of property
5 taxes and rent constituting property taxes at lower income
6 levels than at higher income levels. In addition every person
7 who owns his homestead is guaranteed to receive no less in
8 property tax relief than he received in 1973 under the present
9 additional homestead program.

10

FISCAL NOTE

Date prepared April 11, 1973

Requested by Committee on Ways and Means, Senator Shaff,
Chairman.

Prepared in regard to S.F. 376 - An Act to provide
property tax relief by providing a reimbursement for
property taxes paid and rent constituting property taxes
paid for persons sixty-five years of age or totally disabled,
providing a penalty, and making an appropriation therefor.
Following is the fiscal effect in dollars of the legislative
proposal as required by Senate Rule 31.

It is estimated that the total cost of this Act will be
\$17.0 million, of which \$2.3 million is for renters and
\$14.7 million is for homeowners. The total cost would be
incurred during the fiscal year ending June 30, 1975. No
costs would be incurred during the fiscal year ending June
30, 1974. A savings during the fiscal year ending June 30,
1975 from the current homestead and additional homestead
credit programs of \$10.4 million would make the net
additional cost of this Act approximately \$6.6 million.

It is not possible at the present time to estimate the
fiscal effect of this Act beyond the fiscal year ending
June 30, 1973.

Source: Department of Revenue.

Filed
April 19, 1973

GERRY D. RANKIN
Legislative Fiscal Director

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LSB 1447
bk/jw/3

FISCAL NOTE
SENATE FILE 376

Date prepared May 10, 1973

Requested by Representative Egenes.

Prepared in regard to Egenes Amendment to S.F. 376, as amended and passed by the Senate - An Act to provide property tax relief by providing a reimbursement for property taxes paid and rent constituting property taxes paid for persons sixty-five years of age or totally disabled, providing a penalty, and making an appropriation therefor. Following is the fiscal effect in dollars of the legislative proposal as required by House Rule 48.

It is estimated that this amendment, including widows 55 years of age or older in Senate File 376, as amended and passed by the Senate, would cost a maximum of an additional \$300,000 for the fiscal year ending June 30, 1975.

It is not possible to estimate the fiscal effect of this amendment beyond the fiscal year ending June 30, 1975.

Source: Department of Revenue.

Filed
May 14, 1973

GERRY D. RANKIN
Legislative Fiscal Director

S-392

1 Amend Senate File 376, page 11, line 5, by striking
2 the word "a" and inserting in lieu thereof the words
3 "an approved".

S-392 Filed - *accepted*
April 16, 1973

By RILEY

S-414

1 Amend Senate File 376 as follows:

2 1. Page 2, line 26, by inserting after the word
3 "insurance" the words ", and net worth as defined herein".
4 2. Page 2, by inserting after line 28 the following
5 new subsection, and renumbering the remaining subsections:
6 "Net worth" means the total assets of the claimant

7 less
8 his total liabilities. The value of property shall be its
9 market value. For purposes of computing a claimant's
10 income,
11 ten percent of his net worth exceeding thirty-five
12 thousand
13 dollars shall be considered as income.

11 3. Page 9, line 3, by inserting after the word
12 "income"
13 the words "and a financial statement of the claimant's net
worth".

S-414 Filed - *Amended by 416, 488*
April 19, 1973 *and adopted 5/2*

By COMMITTEE ON APPROPRIATIONS

S-416

1 Amend the Appropriations Committee amendment S-414
2 filed April 19 to Senate File 376, line 12, by striking
3 the word "financial".

S-416 Filed - *adopted 5/1*
April 19, 1973

By SHAW

S-468

1 Amend Senate File 376, page 6, by inserting after line 29
2 the following new paragraph:
3 Notwithstanding the provisions of this section, the amount
4 of the reimbursement for property taxes accrued for a home-
5 stead in any county in which a special charter city is lo-
6 cated which levies and collects its taxes shall be paid to
7 the claimant and the county treasurer of the county from the
8 state general fund on or before September first of each year
9 commencing in 1974. When the claimant who resides within the
10 corporate limits of the special charter city in that county
11 pays the taxes due to the county treasurer, the county trea-
12 surer shall pay to the city treasurer of the special charter
13 city the amount of the reimbursement to the claimant and the
14 county treasurer which exceeds the amount of the tax due by
15 the claimant and collectible by the county treasurer. The
16 county treasurer shall properly identify the claimant and his
17 homestead and the city treasurer shall credit the amount
18 received from the county treasurer against property taxes
19 levied and collectible by the special charter city. If the
20 amount of the reimbursement received by the city treasurer
21 exceeds the amount of tax due by the claimant, the city
22 treasurer shall refund the remainder to the claimant.

S-468 Filed - *w. d. 5/3*
April 27, 1973

By SHAW

S-479

1 Amend Senate File 376, page 4, line 4, by striking
2 the word "twenty" and inserting in lieu thereof the
3 word "twenty-five".

S-479 Filed - *Lane 5/2*
April 30, 1973

By GLUBA, PALMER, KINLEY,
and BLOUIN

S-481

1 Amend the Gluba, et al., amendment S-480, filed April 30,
2 1973, to Senate File 376 as follows:
3 1. Page 1, line 17 by striking the percentage figure "3"
4 and inserting in lieu thereof the percentage figure "2".
5 2. Page 1, line 18 by striking the percentage figure "4"
6 and inserting in lieu thereof the percentage figure "3".
7 3. Page 1, line 19 by striking the percentage figure "5"
8 and inserting in lieu thereof the percentage figure "4".
9 4. Page 1, line 20 by striking the percentage figure "6"
10 and inserting in lieu thereof the percentage figure "5".
11 5. Page 1, line 21 by striking the percentage figure "7"
12 and inserting in lieu thereof the percentage figure "6".

S-~~376~~⁴³¹ Filed - *w. d. 5/3*
May 1, 1973

By GLUBA, KINLEY and PALMER

S-480

1 Amend Senate File 376 as follows:
 2 1. Page 7, by striking lines 17 through 32, inclusive, and
 3 inserting in lieu thereof the following:
 4 Sec. ____ . NEW SECTION. SCHEDULE FOR CLAIMS FOR
 5 REIMBURSEMENT. The claimant shall be entitled to a claim for
 6 reimbursement equal to an amount by which the property taxes
 7 accrued or rent constituting property taxes accrued exceeds
 8 the household income according to the following schedule:
 9 Claim For Reimbursement Shall Be
 10 Equal To An Amount By Which The
 11 Property Taxes Accrued
 12 Or Rent Constituting
 13 Property Taxes Accrued
 14 If The Household Exceeds The Following Percentage
 15 Income Is: Of The Claimant's Household Income:

16	\$ 0 - 999.99	1%
17	1,000 - 1,999.99	3
18	2,000 - 2,999.99	4
19	3,000 - 3,999.99	5
20	4,000 - 4,999.99	6
21	5,000 - 5,999.99	7

22 2. Page 8, by striking lines 14 through 19, inclusive, and
 23 inserting in lieu thereof the following:
 24 Sec. ____ . NEW SECTION. MAXIMUM CREDIT. The amount
 25 of the reimbursement which shall be allowed in any taxable

Page 2

1 year for property taxes accrued or rent constituting property
 2 taxes accrued shall not exceed four hundred fifty dollars.

S-480 Filed *w d 5/3*
April 30, 1973

By GLUBA, KINLEY and PALMER

S-483

1 Amend Senate File 376 as follows:
 2 1. Page 10, line 8, by inserting after the word "state"
 3 the words ", or any landlord who fails to publish notice as
 4 required by this Act,".
 5 2. Page 11, by inserting after line 1, the following new
 6 section, and renumbering the remaining sections.
 7 Sec. ____ . NEW SECTION. CLAIMANT TO NOTIFY LANDLORD. Any
 8 claimant filing a claim for reimbursement for rent consti-
 9 tuting property taxes accrued under the provisions of this
 10 Act shall serve notice, by ordinary mail, upon the landlord
 11 stating that the claimant has filed a claim for reimburse-
 12 ment. If the landlord increased the monthly rental charge
 13 in effect on or after January 1, 1973, or any increases are
 14 put into effect subsequent to the time the claimant has
 15 served notice on the landlord or within one year from the
 16 date the claimant serves notice on the landlord, the land-
 17 lord shall publish notice of such fact within thirty days of
 18 any increase in a newspaper of general circulation in the
 19 county in which the rental property is located. The notice
 20 shall state the amount of the monthly rental charge on
 21 January 1, 1973, and prior to the increase, the new monthly
 22 rental charge, and the reasons for the increase in the
 23 monthly rental charge.

S-483 Filed *June 5/1*

By PLYMAT

S-484

1 Amend Senate File 376 as follows:

2 1. Page 7, by striking lines 17 through 32, inclusive, and
3 inserting in lieu thereof the following:

4 Sec. ____ . NEW SECTION. SCHEDULE FOR CLAIMS FOR
5 REIMBURSEMENT. The claimant shall be entitled to a claim for
6 reimbursement equal to an amount by which the property taxes
7 accrued or rent constituting property taxes accrued exceeds
8 the household income according to the following schedule:

	Claim For Reimbursement Shall Be Equal To An Amount By Which The Property Taxes Accrued Or Rent Constituting Property Taxes Accrued
9	
10	
11	
12	
13	
14	Exceeds The Following Percentage
15	<u>Of The Claimant's Household Income:</u>
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

If The Household
Income Is:

Exceeds The Following Percentage
Of The Claimant's Household Income:

16	\$ 0 - 999.99	1%
17	1,000 - 1,999.99	2
18	2,000 - 2,999.99	3
19	3,000 - 3,999.99	4
20	4,000 - 4,999.99	5
21	5,000 - 5,999.99	6

22 2. Page 8, by striking lines 14 through 19, inclusive, and
23 inserting in lieu thereof the following:

24 Sec. ____ . NEW SECTION. MAXIMUM CREDIT. The amount
25 of the reimbursement which shall be allowed in any taxable

Page 2

1 year for property taxes accrued or rent constituting property
2 taxes accrued shall not exceed four hundred fifty dollars.

S-484 Filed - *Lat 5/3*
May 1, 1973

By GLUBA, KINLEY, AND PALMER

S-487

1 Amend Senate File 376, page 9, by inserting after line 9,
2 the following new paragraph:

3 If the claimant is receiving a federal supplemental
4 security income grant pursuant to Title sixteen (XVI) of the
5 United States Social Security Act, as amended to January 1,
6 1973, this shall be accepted as verification of eligibility.

S-487 Filed - *Adopted 5/3*
May 2, 1973

By DODERER

S-488

1 Amend the Committee on Appropriations amendment S-414 to
2 Senate File 376, line 13, by adding after the word "worth"
3 the following words "above thirty-five thousand dollars".

S-488 Filed and adopted
May 2, 1973

By SHAW and PLYMAT

S-497

1 Amend the Gluba et al. amendment S-484 to Senate File
2 376 by striking line 21.

S-497 Filed and adopted
May 3, 1973

By HILL

S-492

- 1 Amend Senate File 376 as follows:
2 1. Page 2, line 35, by striking the word "one-"
3 and page 3, line 1, by striking "half" and inserting
4 in lieu thereof the word "one".
5 2. Page 5, by striking lines 24 and 25 and the
6 words "but not exceeding forty acres of land." in line 26.

S-492 Filed - *Adopted 5/3* By WILLITS and SHAW
May 2, 1973 *Reconsidered 1 adopted, 2 lost 5/3*

S-499

- 1 Amend Senate File 376, page 8, line 19 by striking the word
2 "five" and inserting in lieu thereof the word "seven".

S-499 Filed and lost By GLUBA and WILLITS
May 3, 1973

S-500

- 1 Amend the Gluba-Willits Amendment S-499, filed May 3, 1973,
2 to Senate File 376, by inserting before the period in line
3 2 the following: ", and page 8, line 16 by striking the
4 word "five" and inserting in lieu thereof the word "seven".

S-500 Filed and adopted By GLUBA
May 3, 1973

S-501

- 1 Amend Senate File 376, page 8, as follows:
2 1. Line 16 by striking the word "five" and inserting
3 in lieu thereof the word "six".
4 2. Line 19, by striking the word "five" and inserting
5 in lieu thereof the word "six".

S-501 Filed and adopted By RILEY and KELLY
May 3, 1973

S-502

- 1 Amend Senate File 376, page 7, by striking line 32.

S-502 Filed and lost By HILL
May 3, 1973

H-487

- 1 Amend Senate File 376, as passed by the Senate and
- 2 reprinted, as follows:
- 3 1. Page 2A, by striking from lines 21 and 22 the
- 4 following: ", all payments received under the federal
- 5 social security act".
- 6 2. Page 2A, by striking from line 23 the follow-
- 7 ing: "veteran's disability pension,".

H-487 Filed *Law, 6/11/73*
May 11, 1973

By FISCHER of Grundy

H-884

- 1 Amend the Ways and Means Committee amendment H-874
- 2 to Senate File 376 as follows:
- 3 1. By striking lines 62 through 65.
- 4 2. By striking lines 383 through 385.

H-884 Filed *W. S. 6/22*
June 22, 1973

By COMMITTEE ON APPROPRIATIONS
GRASSLEY of Butler, Chairman

H-886

- 1 Amend the Ways and Means Committee amendment
- 2 H-874B to Senate File 376 as follows:
- 3 1. Line 64, by striking the word "fifty-five"
- 4 and inserting in lieu thereof the word "sixty".
- 5 2. Line 384, by striking the word "fifty-five"
- 6 and inserting in lieu thereof the word "sixty".

H-886 Filed and adopted
June 22, 1973

By EGENES of Story
HUSAK of Tama
McELROY of Fremont
HARPER of Davis
DEN HERDER of Sioux

H-888

- 1 Amend Senate File 376 as amended and passed by
- 2 the Senate as follows:
- 3 1. Page 8, line 16, by striking the word "six"
- 4 and inserting in lieu thereof the word "five".
- 5 2. Page 8, line 19, by striking the word "six"
- 6 and inserting in lieu thereof the word "five".

H-888 Filed - *Law 6/23*
June 22, 1973

By WELDEN of Hardin

H-889

- 1 Amend the Egenes et al. amendment H-468 to
- 2 Senate File 376, as amended and passed by the Senate,
- 3 as follows:
- 4 1. By striking from line 5 the word "widow"
- 5 and inserting in lieu thereof the words "unmarried
- 6 woman".
- 7 2. By striking in line 8 the word "widows"
- 8 and inserting in lieu thereof the words "unmarried
- 9 women".

H-889 Filed *W. S. 6/23*
June 22, 1973

By CLARK of Lee

1 Amend Senate File 376 as follows:

2 1. Page 11, by inserting after line 1, the follow-
3 ing new sections, and renumbering the remaining sections.
4 Sec. ____ . NEW SECTION. RENT INCREASE: REQUEST AND
5 ORDER FOR REDUCTION. If upon petition by a claimant the
6 department of revenue determines that a landlord has in-
7 creased the claimant's rent solely because the claimant
8 is eligible for a homestead tax rent refund, the de-
9 partment of revenue shall request the landlord to reduce
10 the rent appropriately.

11 If the landlord fails to comply with the request of
12 the department of revenue within fifteen days of notice
13 of the request, the department of revenue shall order
14 the rent reduced by an appropriate amount.

15 Sec. ____ . NEW SECTION. HEARINGS AND JUDICIAL REVIEW.
16 If the department of revenue orders a landlord to reduce
17 rent to a claimant, then upon the request of the land-
18 lord the department of revenue shall hold a prompt hear-
19 ing of the matter, to be conducted in accordance with
20 the provisions of the rules provided by the department.

21 Any decision of the department of revenue pursuant
22 to a hearing conducted under this section is reviewable
23 as provided in the rules provided by the department.

24 Sec. ____ . NEW SECTION. DEFENSE TO ACTION FOR NON-
25 PAYMENT OF RENT. It is an affirmative defense to any

Page 2

1 action by a landlord based upon nonpayment or partial
2 payment of rent that the landlord increased the rent
3 solely because he knew that the tenant had received, or
4 was eligible for, a homestead tax rent refund under this
5 Act.

6 Sec. ____ . NEW SECTION. DISCRIMINATION IN RENTALS
7 OR RENT CHARGES. Discrimination by a landlord in the
8 rental of or in rent charges for a homestead because he
9 has received or is eligible for a homestead tax rent re-
10 fund is a misdemeanor and is punishable by section fifteen
11 (15) of this Act.

S-504 Filed and adopted
May 3, 1973

By SCHWIEGER and GLUBA

H-468

1 Amend Senate File 376, as amended and passed by
2 the Senate and reprinted as follows:

3 1. Page 3, line 11 by striking the words "or
4 who was" and inserting in lieu thereof the following:
5 ", a widow who is fifty-five years of age or older,
6 or a person who was".

7 2. Page 1, line 4 by inserting after the word
8 "or" the following: "older, widows fifty-five years
9 of age or older, or persons".

H-468 Filed
May 8, 1973

By EGENES of Story
DEN HERDER of Sioux
HUSAK of Tama
DOYLE of Woodbury

The Appropriations 6/21, Base for H-884 4/22

May 3, 1973

SENATE FILE 876

The Ways & Means, Base for H-874 4/21

Senate File 376

By COMMITTEE ON WAYS AND MEANS

Stanley, Chairman

ADJUSTMENTS

Grassley

Kreamer

AD FACE

(AS PASSED BY THE SENATE)

Wells

Woods

Passed Senate, Date 5-3-73 (1086) Passed House, Date 6-23-73 (2319)

Vote: Ayes 49 Nays 0 Vote: Ayes 98 Nays 0

Approved 7-19-73

Passed Senate per House amendment

6-23-73

49-0

A BILL FOR

- 1 An Act to provide property tax relief by providing a reim-
- 2 bursement for property taxes paid and rent constituting
- 3 property taxes paid for persons sixty-five years of age
- 4 or totally disabled, providing a penalty, and making an
- 5 appropriation therefor.
- 6 *Be It Enacted by the General Assembly of the State of Iowa:*

1 Section 1. Chapter four hundred twenty-five (425), Code
2 1973, is amended by adding sections two (2) through twenty-two
3 (22), inclusive, of this Act.

4 Sec. 2. **NEW SECTION. ADDITIONAL TAX CREDIT.** In lieu
5 of the homestead tax credit allowed under section four hundred
6 twenty-five point one (425.1), subsections one (1) through
7 four (4), inclusive, of the Code, persons who own or rent
8 their homesteads and who meet the qualifications provided
9 in this Act are eligible for an extraordinary property tax
10 reimbursement applicable to property taxes payable in the
11 fiscal year beginning July 1, 1974 and any subsequent fiscal
12 year.

13 Sec. 3. **NEW SECTION. DEFINITIONS.** As used in this Act,
14 unless the context otherwise requires:

15 1. "Income" means the sum of Iowa net income as defined
16 in section four hundred twenty-two point seven (422.7) of
17 the Code, the amount of capital gains excluded from net income,
18 alimony, child support money, cash public assistance and re-
19 lief, except property tax relief granted under this Act, the
20 gross amount of any pension or annuity, including but not
21 limited to railroad retirement benefits, all payments received
22 under the federal social security act, and all military re-
23 tirement and veteran's disability pension, nontaxable interest
24 received from the state or federal government or any of its
25 instrumentalities, workmen's compensation, and the gross
26 amount of "loss of time" insurance, and net worth as defined
27 herein. "Income" does not include
28 gifts from nongovernmental sources, or surplus food or other
29 relief in kind supplied by a governmental agency.

30 2. "Net worth" means the total assets of the claimant
31 less his total liabilities. The value of property shall be
32 its market value. For purposes of computing a claimant's
33 income, ten percent of his net worth exceeding thirty-five
34 thousand dollars shall be considered as income.

35 3. "Household" means a claimant, spouse, and any person

36 related to the claimant or spouse and living with the claimant.

37 4. "Household income" means all income received by all
38 persons of a household in a twelve-month income tax account-
39 ing period while members of the household.

40 5. "Homestead" means the dwelling, whether owned or rented,
41 and so much of the land surrounding it, not exceeding one

1 acre, as is reasonably necessary for use of the dwelling
2 as a home, and may consist of a part of a multi-dwelling or
3 multi-purpose building and a part of the land upon which it
4 is built. It does not include personal property except a
5 mobile home may be a homestead. Any dwelling or a part of a
6 multi-dwelling or multi-purpose building which is exempt from
7 taxation shall not qualify as a homestead under the provisions
8 of this Act.

9 6. "Claimant" means a person filing a claim for reimburse-
10 ment under this Act who has attained the age of sixty-five
11 years of age or older or who was totally disabled on or be-
12 fore December thirty-first of the previous calendar year,
13 and was domiciled in this state during the entire calendar
14 year for which the claim for relief is based. "Claimant"
15 includes a vendee in possession under a contract for deed
16 and of one or more joint tenants or tenants in common. In
17 the case of a claim for rent constituting property taxes
18 accrued, the claimant shall have rented the property during
19 any part of the year for which he files a claim for
20 reimbursement. When two persons of a household are able to
21 meet the qualifications for a claimant, they may determine
22 between them who will be the claimant. If they are unable
23 to agree, the matter shall be referred to the director of
24 revenue not later than July thirty-first of each year and
25 his decision shall be final. If a homestead is occupied by
26 two or more persons, and more than one person is able to
27 qualify as a claimant, and some or all of the qualified persons
28 are not related, the persons may determine among them who
29 will be the claimant. If they are unable to agree, the matter
30 shall be referred to the director of revenue not later than
31 July thirty-first of each year and his decision shall be
32 final.

33 7. "Totally disabled" means the inability to engage in
34 any substantial gainful employment by reason of any medically
35 determinable physical or mental impairment which can be ex-

1 pected to result in death or which has lasted or can be ex-
2 pected to last for a continuous period of not less than twelve
3 months.

4 8. "Rent constituting property taxes accrued" means twenty
5 percent of the gross rent actually paid in cash or its equi-
6 valent during the preceding calendar year by the claimant
7 or his household solely for the right of occupancy of their
8 homestead in that calendar year, and which rent constitutes
9 the basis, in the succeeding year, of a claim for reimburse-
10 ment under this Act by the claimant.

11 9. "Gross rent" means rental paid at arm's length solely
12 for the right of occupancy of a homestead, exclusive of charges
13 for any utilities, services, furniture, furnishings, or per-
14 sonal property appliances furnished by the landlord as a part
15 of the rental agreement whether or not expressly set out in
16 the rental agreement. If the landlord and tenant have not
17 dealt with each other at arm's length, and the director of
18 revenue is satisfied that the gross rent charged was exces-
19 sive, he may adjust the gross rent to a reasonable amount
20 as determined by the director. If the landlord does not sup-
21 ply the charges for any utilities, services, furniture, fur-
22 nishings, or personal property appliances furnished by him,
23 or if the charges appear to be incorrect, the director of
24 revenue may apply a percentage determined from samples of
25 similar gross rents paid solely for the right of occupancy.

26 10. "Property taxes accrued" means property taxes, exclu-
27 sive of special assessments, delinquent interest, and charges
28 for services, levied on a claimant's homestead in this state.
29 Claims for property tax reimbursement filed in 1974 and 1975
30 shall be limited to two-thirds of the gross amount of prop-
31 erty taxes levied in 1973 and collectible in 1974 and the
32 first one-half of 1975. Commencing with 1976, each claim
33 shall be based upon the property taxes levied in 1975 pursuant
34 to section four hundred forty-four point nine (444.9) of the
35 Code, as amended by the Acts of the General Assembly, 1972

1 Session, chapter one thousand twenty (1020), section seventy-
2 three (73). Each year thereafter, each claim shall be based
3 upon the taxes levied and paid during the previous year.
4 If a homestead is owned by two or more persons as joint ten-
5 ants or tenants in common, and one or more persons are not
6 a member of claimant's household, "property taxes accrued"
7 is that part of property taxes levied on the homestead which
8 equals the ownership percentage of the claimant and his house-
9 hold. The county treasurer shall include with the tax bill
10 a statement that if the owner of the property is sixty-five
11 years of age or over or is totally disabled, he may be eligi-
12 ble for the credit allowed under this Act. If a claimant
13 and his spouse own the homestead part of the preceding cal-
14 endar year and rent it or a different homestead for part of
15 the same year, "property taxes accrued" means only the prop-
16 erty taxes levied on the homestead when both owned and occu-
17 pied by the claimant at the time of the levy, multiplied by
18 the percentage of twelve months that such property was owned
19 and occupied by the household as its homestead during the
20 preceding year. When a household owns and occupies two or
21 more different homesteads in this state in the same calendar
22 year, property taxes accrued shall relate only to that property
23 occupied by the household as a homestead on the levy date.
24 If a homestead is an integral part of a farm, the claimant
25 may use the total property taxes accrued for the larger unit,
26 but not exceeding forty acres of land. If a homestead is
27 an integral part of a multi-dwelling or multi-purpose building
28 the property taxes accrued by the claimant for the purpose
29 of this subsection shall be prorated to reflect the portion
30 which the value of the property that the household occupies
31 as its homestead is to the value of the entire structure.
32 For purposes of this subsection, "unit" refers to that parcel
33 of property covered by a single tax statement of which the
34 homestead is a part.

35 Sec. 4. *NEW SECTION. CLAIM IS PERSONAL.* The right to

1 file a claim under this Act shall be personal to the claimant
2 and shall not survive his death, but the right may be exer-
3 cised on behalf of a claimant by his legal guardian or attor-
4 ney. If a claimant dies after having filed a claim, the
5 amount of the reimbursement may be paid to another member
6 of the household as determined by the director. If the
7 claimant was the only member of his household, the
8 reimbursement may be paid to his executor or administrator,
9 but if neither is appointed and qualified within one year
10 from the date of the filing of the claim, the reimbursement
11 shall escheat to the state.

12 Sec. 5. *NEW SECTION. CLAIM AS REIMBURSEMENT.* Sub-
ject

13 to the limitations provided in this Act, a claimant may claim
14 in any year a reimbursement for property taxes accrued or
15 rent constituting property taxes accrued in the preceding
16 year. The amount of the reimbursement for property taxes
17 accrued for a homestead, after audit or certification by the
18 director, shall be paid to the claimant and the treasurer
19 of the county in which the homestead of the claimant is located
20 and to the claimant only for rent constituting property taxes
21 accrued from the state general fund on or before September
22 twenty-fifth of each year commencing in 1974. If the amount
23 of the reimbursement to the claimant and county treasurer
24 exceeds the tax due by the claimant for property taxes accrued
25 on October first, the county treasurer shall credit the
26 remainder of the reimbursement to be applied against property
27 taxes collectible on or about April first of the next calendar
28 year with any remaining excess to be paid by the county
29 treasurer to the claimant or his agent.

30 Sec. 6. *NEW SECTION. FILING DATE.* A claim for reimburse-
31 ment of property taxes accrued or rent constituting property
32 taxes accrued shall not be paid or allowed, unless the claim
33 is actually filed with and in the possession of the department
34 of revenue after May first and on or before July thirty-first
35 beginning in 1974.

1 In case of sickness, absence, or other disability of the
 2 claimant or if, in the judgment of the director of revenue,
 3 good cause exists and the claimant requests an extension prior
 4 to August first, the director may extend the time for filing
 5 a claim for reimbursement for a period not to exceed three
 6 months.

7 **Sec. 7. NEW SECTION. SATISFACTION OF OUTSTANDING**
TAX
 8 **LIABILITIES.** The amount of any claim for reimbursement pay-
 9 able under this Act may be applied by the department of reve-
 10 nue against any tax liability outstanding on the books of
 11 the department against the claimant, or against a spouse who
 12 was a member of the claimant's household in the year to which
 13 the claim relates.

14 **Sec. 8. NEW SECTION. ONE CLAIMANT PER HOUSEHOLD.**
Only
 15 one claimant per household per year shall be entitled to re-
 16 imbursement under this Act.

17 **Sec. 9. NEW SECTION. SCHEDULE FOR CLAIMS FOR REIM-**
BURSE-
 18 **MENT.** The amount of any claim for reimbursement filed under
 19 this Act shall be determined according to the following
 20 schedule:

21	Percent of
22	Property Taxes Accrued
23	or Rent Constituting
24	Property Taxes Accrued
25	Allowed As A
26	Reimbursement:
27	If the Household Income is: \$ 0 - 999.99 95%
28	1,000 - 1,999.99 80
29	2,000 - 2,999.99 65
30	3,000 - 3,999.99 50
31	4,000 - 4,999.99 35
32	5,000 - 5,999.99 25

33 In lieu of the amount of the tax reimbursement provided in
 34 this section, those persons who have household income, as
 35 defined in this Act, not exceeding four thousand dollars for

1 the last twelve-month income tax accounting period who re-
2 ceived a one hundred twenty-five dollar property tax credit
3 or the amount of their property tax not exceeding one hundred
4 twenty-five dollars as a credit in 1973 may elect to receive
5 a credit equal to the credits received in 1973 in lieu of all
6 other credits or refunds authorized by this Act and section
7 four hundred twenty-five point one (425.1) of the Code. In
8 lieu of tax reimbursement provided for in this Act, a person
9 with a household income exceeding four thousand dollars for
10 the last twelve-month income tax accounting period may choose
11 to receive the amount of the homestead tax credit as deter-
12 mined under section four hundred twenty-five point one (425.1)
13 of the Code.

14 Sec. 10. *NEW SECTION. MAXIMUM PROPERTY TAX.* In any
15 in which property taxes accrued or rent constituting property
16 taxes accrued in any one year for any household exceeds six
17 hundred dollars, the amount of property taxes accrued or rent
18 constituting property taxes accrued shall be deemed to have
19 been six hundred dollars for purposes of this Act.

20 Sec. 11. *NEW SECTION. ADMINISTRATION.* The director of
21 revenue shall make available suitable forms with instructions
22 for claimants. The claim shall be in such form as the di-
23 rector may prescribe. The director may also devise a tax
24 reimbursement table, with amounts rounded to the nearest whole
25 dollar. Reimbursements in the amount of less than one dollar
26 shall not be paid.

27 Sec. 12. *NEW SECTION. PROOF OF CLAIM.* Every claimant
28 shall give the department of revenue, in support of his claim
29 reasonable proof of:

- 30 1. Age;
- 31 2. Property taxes accrued or rent constituting property
32 taxes accrued, including the portion of gross rent paid for
33 providing utilities, services, furniture, furnishings, and
34 personal property appliances, and the name and address of
35 the owner or manager of the property rented:

- 1 3. Changes of homestead;
- 2 4. Household membership;
- 3 5. Household income and a statement of the claimant's
- 4 net worth above thirty-five thousand dollars;
- 5 6. Size and nature of property claimed as the homestead;
- 6 and
- 7 7. A statement that the property taxes accrued and used
- 8 for purposes of this Act have been or will be paid by him,
- 9 and that there are no delinquent property taxes on the home-
- 10 stead.

11 If the claimant is receiving a federal supplemental
12 security income grant pursuant to Title sixteen (XVI) of
13 the United States Social Security Act, as amended to
14 January 1, 1973, this shall be accepted as verification
15 of eligibility.

16 The director may require any additional proof necessary
17 to support a claim.

18 Sec. 13. *NEW SECTION. AUDIT OF CLAIM.* If on the audit
19 of any claim for reimbursement under this Act, the director
20 determines the amount of the claim to have been incorrectly
21 calculated, he shall recalculate the claim and notify the
22 claimant of the recalculation and his reasons for it. The
23 director shall not adjust any claim after two years from the
24 date on which the claim was filed or July thirty-first of
25 the year in which the claim was filed, whichever is later.
26 If the claim for reimbursement has been paid, the amount may
27 be recovered by assessment in the same manner that income
28 taxes are assessed under sections four hundred twenty-two
29 point twenty-six (422.26) and four hundred twenty-two point
30 thirty (422.30) of the Code. The reimbursement allowed shall
31 not be less than the homestead exemption provided under this
32 Act. The recalculation of the claim shall be final unless
33 appealed to the state board of tax review within thirty days
34 of notice from the director of revenue.

35 Sec. 14. *NEW SECTION. WAIVER OF CONFIDENTIALITY. A*

36 claimant shall expressly waive any right to confidentiality
37 relating to all income tax information obtainable through
38 the department of revenue, including all information covered
39 by section four hundred twenty-two point seventy-two (422.72)
40 of the Code. This waiver shall apply to information available
41 to the county or city assessor who shall hold the information

1 confidential except that it may be used as evidence to dis-
2 allow the credit.

3 Sec. 15. *NEW SECTION. FALSE CLAIM—PENALTY.* Any per-
4 son

5 making a false affidavit for the purpose of obtaining reim-
6 bursement provided for in this Act or who knowingly receives
7 the reimbursement without being legally entitled to it or
8 makes claim for the reimbursement in more than one county
9 in the state shall be guilty of a misdemeanor, and upon
10 conviction shall be fined not more than one hundred dollars
11 or imprisoned in the county jail for not more than thirty
12 days or be subject to both such fine and imprisonment. An
13 action under this section shall be brought in the county in
14 which the affidavit was filed. The claim for reimbursement
15 shall be disallowed in full and if the claim has been paid
16 the amount may be recovered by assessment in the manner that
17 income taxes are assessed pursuant to sections four hundred
18 twenty-two point twenty-six (422.26) and four hundred twenty-

19 Sec. 16. *NEW SECTION. RENTAL DETERMINATION.* If a
20 home-

21 stead is rented by a person from another person under cir-
22 cumstances deemed by the director of revenue not to be at
23 arm's length, he may determine the rent constituting property
24 taxes accrued at arm's length, and for the purposes of this
25 subsection, the determination shall be final.

26 Sec. 17. *NEW SECTION. APPEALS.* Any person aggrieved
27 by the denial of a reimbursement in whole or in part claimed
28 under this Act, except where the denial is based upon late
29 filing of a claim or as provided by this Act, may appeal the
30 denial to the state board of tax review by filing a petition
31 with the board within thirty days from the date the claim
32 was denied.

33 Sec. 18. *NEW SECTION. DISALLOWANCE OF CERTAIN
34 CLAIMS.*

35 A claim for reimbursement shall be disallowed if the depart-
ment finds that the claimant received title to his homestead
primarily for the purpose of receiving benefits under this

1 Act.

2 **Sec. 19. NEW SECTION. RENT INCREASE—REQUEST AND**
3 **ORDER FOR REDUCTION.** If upon petition by a claimant the
4 department of revenue determines that a landlord has in-
5 creased the claimant's rent solely because the claimant
6 is eligible for a homestead tax rent refund, the depart-
7 ment of revenue shall request the landlord to reduce the
8 rent appropriately.

9 If the landlord fails to comply with the request of
10 the department of revenue within fifteen days of notice
11 of the request, the department of revenue shall order
12 the rent reduced by an appropriate amount.

13 **Sec. 20. NEW SECTION. HEARINGS AND JUDICIAL REVIEW.**

14 If the department of revenue orders a landlord to reduce
15 rent to a claimant, then upon the request of the landlord
16 the department of revenue shall hold a prompt hearing of
17 the matter, to be conducted in accordance with the pro-
18 visions of the rules provided by the department.

19 Any decision of the department of revenue pursuant
20 to a hearing conducted under this section is reviewable
21 as provided in the rules provided by the department.

22 **Sec. 21. NEW SECTION. DEFENSE TO ACTION FOR NON-**
23 **PAYMENT OF RENT.** It is an affirmative defense to any
24 action by a landlord based upon nonpayment or partial
25 payment of rent that the landlord increased the rent
26 solely because he knew that the tenant had received, or
27 was eligible for, a homestead tax rent refund under this
28 Act.

29 **Sec. 22. NEW SECTION. DISCRIMINATION IN RENTALS**
30 **OR RENT CHARGES.** Discrimination by a landlord in the
31 rental of or in rent charges for a homestead because he
32 has received or is eligible for a homestead tax rent re-
33 fund is a misdemeanor and is punishable by section fifteen
34 (15) of this Act.

35 **Sec. 23. NEW SECTION. NOTIFY COUNTY TREASURERS.** In
1975

36 and each year thereafter, the director shall file a list of
37 names with the county treasurer of all claimants who have
38 filed an approved claim for property tax relief under this Act and
39 instruct the county treasurer to deny the homestead tax credit
40 allowed, if any. The county treasurer shall notify the
41 director of any adjustments which he is required to make.

42 Sec. 24. *NEW SECTION.* The provisions of section four
43 hundred twenty-five point one (425.1), subsection five (5)
44 of the Code which are applicable to claims for credit filed
45 on or before July 1, 1973, shall remain applicable to those
46 claims, subject to the provisions of this section.

47 Claims filed on or before July 1, 1973, pursuant to sec-
48 tion four hundred twenty-five point one (425.1), subsection
49 five (5) of the Code shall be for credit on taxes levied and
50 collectible for the period commencing January 1, 1974 and
51 ending June 30, 1974, if the owner is sixty-five years of
52 age or over, or is totally disabled, and provided his Iowa
53 net income, as defined in section four hundred twenty-two
54 point seven (422.7) of the Code, plus interest and dividends
55 from federal securities and income from social security and
56 other tax-exempt retirement or pension plans, when included
57 with that of the spouse, brother, sister, son, daughter, if
58 any, living with the owner, is less than four thousand dollars
59 for the last twelve-month income tax accounting period. The
60 credit allowed by the county auditor on the taxes levied and
61 collectible for the period beginning January 1, 1974 and
62 ending June 30, 1975, on such owner's eligible homestead shall
63 be equal to sixty-two dollars and fifty cents, except that
64 the credit shall not exceed one-third the amount of the
65 property taxes levied and collectible on the homestead for
66 the period beginning January 1, 1974 and ending June 30, 1975,
67 and shall be credited against the first one-third payment
68 of property taxes collectible on or about April 1, 1974.

1 The credit shall be paid to each taxing district from the
 2 homestead tax credit fund in the same manner as the regular
 3 homestead tax credit and all other nonconflicting provisions
 4 and computations in chapter four hundred twenty-five (425)
 5 of the Code shall be applicable to the credit provided by
 6 this section.

7 In 1974, if a taxpayer elects to claim the reimbursement
 8 provided under sections two (2) through seventeen (17), inclu-
 9 sive, of this Act, he shall not be entitled to receive the
 10 regular homestead credit allowed pursuant to section four
 11 hundred twenty-five point one (425.1), subsections one (1)
 12 through four (4) of the Code for the second half of 1974 and
 13 the first half of 1975. The department shall notify the
 14 county treasurer of all homeowners who have filed a claim
 15 for property tax reimbursement under this section and instruct
 16 the county treasurer to deny the homestead credit allowed,
 17 if any, for the last half of 1974 and the first half of 1975.
 18 The county treasurer shall notify the director of revenue
 19 of any adjustments which the county treasurer is required
 20 to make.

21 Sec. 25. *NEW SECTION. FUND CREATED—APPROPRIA-*
 22 *TION. There*
 23 *is appropriated annually from the general fund of the state*
 24 *to the department of revenue to be credited to the extraor-*
 25 *dinary property tax reimbursement fund, which fund is hereby*
 26 *created, funds not otherwise appropriated, an amount suf-*
 27 *ficient to carry out the provisions of this Act.*

28 Sec. 26. Effective July 2, 1973, section four hundred
 29 twenty-five point one (425.1), Code 1973, is amended by strik-
 30 ing subsection five (5).

31 **EXPLANATION**

32 This bill provides a property tax reimbursement for per-
 33 sons sixty-five years of age or older and persons who are
 34 totally disabled, whether the homestead is owned or rented,
 35 and providing they have household income less than \$6,000.
 Renters compute 20% of their rental paid as rent constituting

- 1 property taxes accrued. Eligible persons will be able to
- 2 file a claim for reimbursement of property taxes or rent
- 3 constituting property taxes according to a graduated schedule
- 4 which allows a greater percent of reimbursement of property
- 5 taxes and rent constituting property taxes at lower income
- 6 levels than at higher income levels. In addition every person
- 7 who owns his homestead is guaranteed to receive no less in
- 8 property tax relief than he received in 1973 under the present
- 9 additional homestead program.

FISCAL NOTE
SENATE FILE 376

Date prepared June 21, 1973

Requested by Representative Stanley.

Prepared in regard to S.F. 376 as passed by the Senate - An Act to provide property tax relief by providing a reimbursement for property taxes paid and rent constituting property taxes paid for persons sixty-five years of age or totally disabled, providing a penalty, and making an appropriation therefor. Following is the fiscal effect in dollars of the legislative proposal as required by House Rule 48.

The total cost of Senate File 376 as passed by the Senate is estimated to be \$17,300,000. The total cost would be incurred during the fiscal year ending June 30, 1975. The net additional cost over the present homestead and additional homestead credit programs would be \$6.9 million.

It is not possible at this time to estimate the fiscal effect of this Act beyond the fiscal year ending June 30, 1975.

Source: Department of Revenue.

Filed
June 21, 1973

GERRY D. RANKIN
Legislative Fiscal Director

Date prepared April 11, 1973

Requested by Representative Egenes.

Prepared in regard to Egenes Amendment to S.F. 376 (Adding widows over 55) - An Act to provide property tax relief etc. Following is the fiscal effect in dollars of the legislative proposal as required by House Rule 48.

It is estimated that this amendment, including widows 55 years of age or older in Senate File 376, would cost an additional \$300,000 for the fiscal year ending June 30, 1975.

It is not possible to estimate the fiscal effect of this amendment beyond the fiscal year ending June 30, 1975.

Source: Department of Revenue.

Filed
May 8, 1973

GERRY D. RANKIN
Legislative Fiscal Director

SENATE FILE 376

H—874

- 1 Amend Senate File 376, as amended, passed, and re-
- 2 printed by the Senate, as follows:
- 3 1. Page 2A, lines 4 and 5, by striking the words
- 4 "lieu off" and inserting in lieu thereof the words
- 5 "addition to".
- 6 2. Page 2A, by striking lines 10, 11, and 12 and
- 7 inserting in lieu thereof the words "reimbursement
- 8 payable in September, 1974 and in September of any
- 9 subsequent year."
- 10 3. Page 2A, by striking line 17 and inserting in
- 11 lieu thereof the words "the Code, plus all of the
- 12 following to the extent not already included in Iowa
- 13 net income: capital gains,".
- 14 4. Page 2A, line 23, by striking the words "pension,
- 15 nontaxable" and inserting in lieu thereof the word
- 16 "pensions,".
- 17 5. Page 2A, line 25, by striking the word "and".
- 18 6. Page 2A, line 26, by inserting after the word
- 19 "of" the words "disability income or".
- 20 7. Page 2A, lines 26 and 27, by striking the words
- 21 "net worth as defined herein" and inserting in lieu
- 22 thereof the words "that part of net worth considered
- 23 as income under subsection two (2) of this section".
- 24 8. Page 2A, line 30, by striking the words "the
- 25 claimant" and inserting in lieu thereof the words "a
- 26 person".
- 27 9. Page 2A, line 31, by inserting after the word
- 28 "liabilities" the words "as of December thirty-first
- 29 of the base year".
- 30 10. Page 2A, by striking line 32 and inserting in
- 31 lieu thereof the words "its market value as defined in
- 32 section four hundred forty-one point twenty-one (441.21)
- 33 of the Code. For purposes of computing a person's".
- 34 11. Page 2B, line 36, by inserting after the word
- 35 "spouse" the words "by blood, marriage, or adoption".
- 36 12. Page 2B, line 36, by striking the second word
- 37 "claimant." and inserting in lieu thereof the words
- 38 "claimant at any time during the base year. 'Living
- 39 with' refers to domicile and does not include a tem-
- 40 porary visit."
- 41 13. Page 2B, by striking lines 37 through 40 and
- 42 inserting in lieu thereof the following:
- 43 4. "Household income" means all income of all per-
- 44 sons of a household during their respective twelve-
- 45 month income tax accounting periods ending with or dur-
- 46 ing the base year."
- 47 14. Page 2B, line 40, by inserting after the word
- 48 "dwelling" the words "actually used as a home by the
- 49 claimant during all or part of the base year".
- 50 15. Page 3, line 4, by inserting after the word

- 51 "except" the word "that".
52 16. Page 3, by inserting after the period in line
53 8 the words "A homestead must be located in this
54 state."
55 17. Page 3, by striking from lines 11 and 12 the
56 words "of age or older or who was totally disabled on
57 or before December thirty-first of the previous calen-
58 dar" and inserting in lieu thereof the words "on or before
59 December thirty-frist of the base year, or who is totally
60 disabled and was totally disabled on or before December
61 thirty-first of the base".
62 18. Page 3, line 12, by inserting after the word
63 "year," the words "or who is a widow who has attained
64 the age of fifty-five years on or before December
65 thirty-first of the base year,".
66 19. Page 3, line 13, by striking the word "calendar"
67 and inserting in lieu thereof the word "base".
68 20. Page 3, line 14, by striking the words "for
69 which the claim for relief is based" and inserting in
70 lieu thereof the words "and is domiciled in this state
71 at the time the claim is filed".
72 21. Page 3, line 16, by striking the word "of" and
73 inserting in lieu thereof the words "may include".
74 22. Page 3, line 18, by striking the word "accrued"
75 and inserting in lieu thereof the word "paid".
76 23. Page 3, lines 19 and 20, by striking the words
77 "year for which he files a claim for reimbursement" and
78 inserting in lieu thereof the words "base year".
79 24. Page 4, line 1, by striking the words "can be"
80 and inserting in lieu thereof the words "is reasonably".
81 25. Page 4, line 4, by striking the word "accrued"
82 and inserting in lieu thereof the word "paid".
83 26. Page 4, line 6, by striking the words "preceding
84 calendar" and inserting in lieu thereof the word "base".
85 27. Page 4, line 8, by striking the words "that
86 calendar" and inserting in lieu thereof the words "the
87 base".
88 28. Page 4, line 16, by inserting after the words
89 "If the" the words "director of revenue determines
90 that the".
91 29. Page 4, line 19, by striking the word "may"
92 and inserting in lieu thereof the word "shall".
93 30. Page 4, line 26, by striking the word "accrued"
94 and inserting in lieu thereof the word "paid".
95 31. Page 4, line 28, by striking the word "levied"
96 and inserting in lieu thereof the word "paid".
97 32. Page 4, line 28, by inserting after the word
98 "state" the words ", but includes only property taxes
99 for which the claimant or a person of his household
100 was liable and which were actually paid by the claimant

101 or a person of his household. If the property taxes
102 have actually been paid, they shall be deemed to have
103 been paid when due, regardless of the date of actual
104 payment. "Property taxes paid" shall be computed with
105 no deduction for any credit under this Act or for any
106 homestead credit allowed under section four hundred
107 twenty-five point one (425.1) of the Code. Claims for
108 property tax reimbursement filed in 1974 shall be based
109 upon the property taxes paid in 1973".

110 33. Page 4, line 29, by striking the word and
111 figure "1974 and".

112 34. Page 4, by striking from lines 30 and 31 the
113 words "gross amount of property taxes levied in 1973
114 and collectible" and inserting in lieu thereof the
115 words "property taxes paid".

116 35. Page 4, line 32, by striking the words
117 "Commencing with 1976, each claim".

118 36. Page 4, by striking lines 33, 34, and 35.

119 37. Page 5, by striking line 1.

120 38. Page 5, line 2, by striking the word and
121 figure "three (73)".

122 39. Page 5, line 3, by striking the words "levied
123 and".

124 40. Page 5, line 3, by striking the word "previous"
125 and inserting in lieu thereof the word "base".

126 41. Page 5, line 6, by striking the word "accrued"
127 and inserting in lieu thereof the word "paid".

128 42. Page 5, line 7, by striking the word "levied"
129 and inserting in lieu thereof the word "paid".

130 43. Page 5, line 9, by striking the word "bill"
131 and inserting in lieu thereof the word "receipt".

132 44. Page 5, by striking lines 13 through 23 and
133 inserting in lieu thereof the words "changes his home-
134 stead, this shall not prevent him from filing a claim
135 based on property taxes for which the claimant or a
136 person of his household was liable and which were
137 actually paid by the claimant or a person of his house-
138 hold, but duplication of claims shall not be allowed."

139 45. Page 5, line 25, by striking the word "accrued"
140 and inserting in lieu thereof the word "paid".

141 46. Page 5, line 28, by striking the words "accrued
142 by the claimant" and inserting in lieu thereof the word
143 "paid".

144 47. Page 5, by inserting after line 34 the follow-
145 ing new subsection:

146 11. "Base year" means:

147 a. For a claimant filing a claim for rent constituting
148 property taxes paid, the calendar year last ending
149 before the claim is filed.

150 b. For a claimant filing a claim for property taxes

151 paid, the senate fiscal year ending in the calendar year
152 in which the claim is filed.

153 48. Page 6, by striking lines 12 through 35 and
154 inserting in lieu thereof the following:

155 "Sec. 5. NEW SECTION. CLAIM AND REIMBURSEMENT.

156 Subject to the limitations provided in this Act, a
157 claimant may annually claim a reimbursement for property
158 taxes paid or rent constituting property taxes paid in
159 the base year. The amount of the reimbursement for
160 property taxes paid for a homestead, after audit or
161 certification by the director, shall be paid by joint
162 payee check to the claimant and the treasurer of the
163 county in which the homestead of the claimant is located,
164 and the amount of the reimbursement for rent constituting
165 property taxes paid shall be paid to the claimant only,
166 from the state general fund on or before September twenty-
167 fifth of each year commencing in 1974. If the amount
168 of the reimbursement to the claimant and county treasurer
169 exceeds the tax due from the claimant on or about
170 October first, the county treasurer shall credit the
171 remainder of the reimbursement to be applied against
172 property tax due from the claimant on or about April
173 first of the next calendar year with any remaining
174 excess to be paid by the county treasurer to the claimant
175 or his agent.

176 Sec. 6. NEW SECTION. FILING DATE. A claim for
177 reimbursement for property taxes paid or rent constituting
178 property taxes paid shall not be paid or allowed, unless
179 the claim is actually filed with and in the possession
180 of the department of revenue on or before July thirty-
181 first of the year following the base year, beginning
182 July 31, 1974.

183 49. Page 7, line 6, by adding after the word
184 "months." the words "The director may also extend the
185 time for filing for all claimants or for any reasonable
186 group or class of claimants for a period not to exceed
187 three months if, in his judgment, good cause exists."

188 50. Page 7, lines 12 and 13, by striking the words
189 "year to which the claim relates" and inserting in lieu
190 thereof the words "base year".

191 51. Page 7, by striking lines 19 and 20 and inserting
192 in lieu thereof the following:

193 "this Act shall be determined as provided in this section.

194 1. The tentative reimbursement shall be the higher
195 of the two amounts determined as follows:

196 a. The amount shall be determined according to the
197 following schedule:"

198 52. Page 7, line 22, by striking the word "Accrued"
199 and inserting in lieu thereof the word "Paid".

200 53. Page 7, line 24, by striking the word "Accrued"

201 and inserting in lieu thereof the word "Paid".
202 54. Page 7, by striking lines 33 through 35.
203 55. Page 8, by striking lines 1 through 13 and
204 inserting in lieu thereof the following:
205 b. If the claim is for property taxes paid, the
206 alternative tentative reimbursement shall be one hundred
207 twenty-five dollars, but not exceeding the amount of
208 property taxes paid in the base year, if both of the
209 following are true:
210 1. The claimant was entitled to and received the
211 alternative homestead tax credit as provided in section
212 four hundred twenty-five point one (425.1), subsection
213 five (5) of the Code against property taxes paid in
214 the calendar year 1973.
215 2. The household income is less than four thousand
216 dollars.
217 2. The actual reimbursement for property taxes paid
218 shall be determined by subtracting from the tentative
219 reimbursement the amount of the homestead credit under
220 section four hundred twenty-five point one (425.1) of
221 the Code which was allowed as a credit against property
222 taxes paid in the base year by the claimant or any person
223 of his household. If the subtraction produces a negative
224 amount, there shall be no reimbursement but no refund
225 shall be required. The actual reimbursement for rent
226 constituting property taxes paid shall be equal to the
227 tentative reimbursement.
228 56. Page 8, lines 15 through 18, by striking the
229 word "accrued" wherever it appears and inserting in
230 lieu thereof the word "paid".
231 57. Page 8, line 16, by striking the word "one"
232 and inserting in lieu thereof the word "base".
233 58. Page 8, line 22, by inserting after the word
234 "claimants." the words "Each assessor and county treasurer
235 shall make available the forms and instructions."
236 59. Page 8, by striking lines 30 through 32 and
237 inserting in lieu thereof the following:
238 "1. Age and total disability, if any;
239 2. Property taxes paid or rent constituting property
240 taxes paid, including the portion of gross rent paid
241 for".
242 60. Page 8, line 35, by striking the colon and
243 inserting in lieu thereof the words "and a statement
244 whether the claimant is related by blood, marriage or
245 adoption to the owner or manager of the property
246 rented;".
247 61. Page 9A, by inserting before line 1 the follow-
248 ing new subsection:
249 Homestead credit allowed against property taxes paid;
250 62. Page 9A, line 7, by striking the word "accrued"

251 and inserting in lieu thereof the word "paid".
252 63. Page 9A, by adding after line 10 the following
253 new subsection:
254 Any information needed to determine whether the
255 claimant is eligible for the alternative reimbursement
256 under section nine (9), subsection one (1), paragraph
257 b of this Act.
258 64. Page 9A, by striking lines 11 through 15.
259 65. Page 9A, by striking lines 21 through 25 and
260 inserting in lieu thereof the words "calculated or
261 that the claim is not allowable, he shall recalculate the
262 claim and notify the claimant of the recalculation or
263 denial and his reasons for it. The director shall not
264 adjust any claim after three years from July thirty-
265 first of the year in which the claim was filed."
266 66. Page 9A, by striking lines 30 through 34 and
267 inserting in lieu thereof the words "thirty (422.30) of
268 the Code. The recalculation of the claim shall be final
269 unless appealed as provided in section seventeen (17)
270 of this Act. The provisions of section four hundred
271 twenty-two point seventy (422.70) of the Code shall be
272 applicable with respect to this Act.
273 67. Page 9B, line 39, by striking the word "section"
274 and inserting in lieu thereof the words "sections four
275 hundred twenty-two point twenty (422.20) and".
276 68. Page 10, by inserting after the period in line
277 18 the words "The director of revenue shall send a
278 notice of disallowance of the claim to the claimant."
279 69. Page 10, by striking lines 19 through 31 and
280 inserting in lieu thereof the following:
281 Sec. 16. NEW SECTION. NOTICES. Section four hundred
282 twenty-two point fifty-seven (422.57), subsection one
283 (1) of the Code shall apply to all notices under this
284 Act.
285 Sec. 17. NEW SECTION. APPEALS. Any person aggrieved
286 by any act or decision of the director of revenue or
287 the department of revenue under this Act shall have the
288 same rights of appeal and review as provided in sections
289 four hundred twenty-one point one (421.1) and four
290 hundred twenty-two point fifty-three (422.53) of the
291 Code and the rules of the department of revenue.
292 70. Page 10, line 34, by inserting after the word
293 "claimant" the words "or a person of his household".
294 71. Page 11A, by striking lines 2 through 35 and
295 inserting in lieu thereof the following:
296 Sec. 19. NEW SECTION. RENT INCREASE--REQUEST AND
297 ORDER FOR REDUCTION. If upon petition by a claimant the
298 department of revenue determines that a landlord has in-
299 creased the claimant's rent primarily because the claimant
300 is eligible for reimbursement under this Act, the depart-

301 ment of revenue shall request the landlord by certified
302 mail to reduce the rent appropriately.

303 In determining whether a landlord has increased a
304 claimant's rent primarily because the claimant is eligible
305 for reimbursement under this Act, the department of revenue
306 shall consider the following factors:

307 1. The amount of the increase in rent.

308 2. If the landlord operates other rental property,
309 whether a similar increase was imposed on the other
310 rental property.

311 3. Increased or decreased costs of materials, supplies,
312 services, and taxes in the area.

313 4. The time the rent was increased.

314 5. Other relevant factors in each particular case.

315 If the landlord fails to comply with the request
316 of the department of revenue within fifteen days after
317 the request is mailed by the department, the department
318 of revenue shall order the rent reduced by an appropriate
319 amount.

320 Sec. 20. NEW SECTION. HEARINGS AND APPEALS. If the
321 department of revenue orders a landlord to reduce rent
322 to a claimant, then upon the request of the landlord
323 the department of revenue shall hold a prompt hearing
324 of the matter, to be conducted in accordance with the
325 rules of the department. The department of revenue
326 shall give notice of the decision by certified mail to
327 the claimant and to the landlord.

328 The claimant and the landlord shall have the rights
329 of appeal and review as provided in section seventeen
330 (17) of this Act.

331 Sec. 21. NEW SECTION. DEFENSE TO ACTION FOR NON-
332 PAYMENT OF RENT. It is an affirmative defense to any
333 action by a landlord based upon nonpayment or partial
334 payment of rent that the landlord increased the rent
335 primarily because the tenant had received, or was
336 eligible for, reimbursement under this Act.

337 Sec. 22. NEW SECTION. DISCRIMINATION IN RENTALS
338 OR RENT CHARGES. Discrimination by a landlord in the
339 rental of or in rent charges for a homestead because
340 the tenant has received or is eligible for reimbursement
341 under this Act is a misdemeanor and the punishment
342 shall be the same as provided in section fifteen (15)
343 of this Act.

344 Sec. 23. NEW SECTION. RULES. The director of revenue
345 shall adopt rules in accordance with chapter seventeen
346 A (17A) of the Code for the interpretation and proper
347 administration of this Act, including
348 rules to prevent and disallow duplication of benefits
349 and to prevent any unreasonable hardship or advantage
350 to any person.

351 72. Page 11B, by striking lines 36 through 68 and
352 inserting in lieu thereof the following:

353 Sec. 24. NEW SECTION. 1. Any person who is entitled
354 to the alternative homestead tax credit as provided in
355 section four hundred twenty-five point one (425.1),
356 subsection five (5) of the Code and who properly applies
357 for the credit on or before July 1, 1973, shall be allowed
358 the credit against taxes on the eligible homestead payable
359 in the extended fiscal year beginning January 1, 1974
360 and ending June 30, 1975, in an amount equal to one
361 hundred twenty-five dollars, except that the credit shall
362 not exceed two-thirds of the amount of the property
363 taxes payable on the homestead in the extended fiscal
364 year.

365 2. The credits referred to in subsection one (1) of
366 this section shall be the final credits allowed under
367 section four hundred twenty-five point one (425.1),
368 subsection five (5) of the Code, and thereafter no
369 credit shall be allowed thereunder.

370 3. Credits allowed under section four hundred
371 twenty-five point one (425.1), subsection five (5) of
372 the Code against taxes payable in 1973 or in the extended
373 fiscal year beginning January 1, 1974 and ending June 30,
374 1975, shall be subtracted in determining reimbursement
375 under this Act as provided in section nine (9), sub-
376 section two (2) of this Act.

377 73. Page 12, by striking lines 1 through 20.

378 74. Page 12, line 27, by striking the word and
379 figure "July 2, 1973" and inserting in lieu thereof the
380 word and figure "December 31, 1973".

381 75. Renumber sections and correct internal references
382 in accordance with this amendment.

383 76. Amend the title, page 1, line 4, by inserting
384 after the word "or" the words "older, widows fifty-five } B
385 years of age or older, or persons".

874A - adopted 6/22

H-874 Filed - *6/21/73 as amended* By COMMITTEE ON WAYS AND MEANS
June 21, 1973 *by H. 886 6/22 874-B* STANLEY of Muscatine, Chairman
Motion to reconsider & previous 6/23 (2215) H-874B lost 6/23 (2317)

HOUSE AMENDMENT TO SENATE FILE 376

- 1 Amend Senate File 376, as amended, passed, and re-
2 printed by the Senate, as follows:
3 1. Page 2A, lines 4 and 5, by striking the words
4 "lieu of" and inserting in lieu thereof the words
5 "addition to".
6 2. Page 2A, by striking lines 10,11, and 12 and
7 inserting in lieu thereof the words "reimbursement
8 payable in September, 1974 and in September of any
9 subsequent year."
10 3. Page 2A, by striking line 17 and inserting in
11 lieu thereof the words "the Code, plus all of the
12 following to the extent not already included in Iowa
13 new income: capital gains,".
14 4. Page 2A, line 23, by striking the words "pension,
15 nontaxable" and inserting in lieu thereof the word
16 "pensions,".
17 5. Page 2A, line 25, by striking the word "and".
18 6. Page 2A, line 26, by inserting after the word
19 "of" the words "disability income or".
20 7. Page 2A, lines 26 and 27, by striking the words
21 "net worth as defined herein" and inserting in lieu
22 thereof the words "that part of net worth considered
23 as income under subsection two (2) of this section".
24 8. Page 2A, line 30, by striking the words "the
25 claimant" and inserting in lieu thereof the words "a

Page 2

- 1 person".
2 9. Page 2A, line 31, by inserting after the word
3 "liabilities" the words "as of December thirty-first
4 of the base year".
5 10. Page 2A, by striking line 32 and inserting in
6 lieu thereof the words "its market value as defined in
7 section four hundred forty-one point twenty-one (441.21)
8 of the Code. For purposes of computing a person's".
9 11. Page 2B, line 36, by inserting after the word
10 "spouse" the words "by blood, marriage, or adoption".
11 12. Page 2B, line 36, by striking the second word
12 "claimant." and inserting in lieu thereof the words'
13 "claimant at any time during the base year. 'Living
14 with' refers to domicile and does not include a tem-
15 porary visit."
16 13. Page 2B, by striking lines 37 through 39 and
17 inserting in lieu thereof the following:
18 4. "Household income means all income of all per-
19 sons of a household during their respective twelve-
20 month income tax accounting periods ending with or dur-
21 ing the base year."
22 14. Page 2B, line 40, by inserting after the word
23 "dwelling" the words "actually used as a home by the
24 claimant during all or part of the base year".
25 15. Page 3, line 4, by inserting after the word

Page 3,

- 1 "except" the word "that".
2 16. Page 3, by inserting after the period in line
3 8 the words "A homestead must be located in this
4 state."
5 17. Page 3, by striking from lines 11 and 12 the
6 words "of age or older or who was totally disabled on
7 or before December thirty-first of the previous calend-
8 dar" and inserting in lieu thereof the words "on or before
9 December thirty-first of the base year, or who is totally
10 disabled and was totally disabled on or before December
11 thirty-first of the base".
12 18. Page 3, line 13, by striking the word "calendar"
13 and inserting in lieu thereof the word "base".
14 19. Page 3, line 14, by striking the words "for
15 which the claim for relief is based" and inserting in
16 lieu thereof the words "and is domiciled in this state
17 at the time the claim is filed".
18 20. Page 3, line 16, by striking the word "of" and
19 inserting in lieu thereof the words "may include".
20 21. Page 3, line 18, by striking the word "accrued"
21 and inserting in lieu thereof the word "paid".
22 22. Page 3, lines 19 and 20, by striking the words
23 "year for which he files a claim for reimbursement" and
24 inserting in lieu thereof the words "base year".
25 23. Page 4, line 1, by striking the words "can be"

Page 4

- 1 and inserting in lieu thereof the words "is reasonably".
2 24. Page 4, line 4, by striking the word "accrued"
3 and inserting in lieu thereof the word "paid".
4 25. Page 4, line 6, by striking the words "preceding
5 calendar" and inserting in lieu thereof the word "base".
6 26. Page 4, line 8, by striking the words "that
7 calendar" and inserting in lieu thereof the words "the
8 base".
9 27. Page 4, line 16, by inserting after the words
10 "If the" the words "director of revenue determines
11 that the".
12 28. Page 4, line 19, by striking the word "may"
13 and inserting in lieu thereof the word "shall".
14 29. Page 4, line 26, by striking the word "accrued"
15 and inserting in lieu thereof the word "paid".
16 30. Page 4, line 28, by striking the word "levied"
17 and inserting in lieu thereof the word "paid".
18 31. Page 4, line 28, by inserting after the word
19 "state" the words ", but includes only property taxes
20 for which the claimant or a person of his household
21 was liable and which were actually paid by the claimant
22 or a person of his household. If the property taxes
23 have actually been paid, they shall be deemed to have
24 been paid when due, regardless of the date of actual
25 payment. "Property taxes paid" shall be computed with

Page 5

- 1 no deduction for any credit under this Act or for any
2 homestead credit allowed under section four hundred
3 twenty-five point one (425.1) of the Code. Claims for
4 property tax reimbursement filed in 1974 shall be based
5 upon the property taxes paid in 1973".
6 32. Page 4, line 29, by striking the word and
7 figure "1974 and".
8 33. Page 4, by striking from lines 30 and 31 the
9 words "gross amount of property taxes levied in 1973
10 and collectible" and inserting in lieu thereof the
11 words "property taxes paid".
12 34. Page 4, line 32, by striking the words
13 "Commencing with 1976, each claim".
14 35. Page 4, by striking lines 33, 34, and 35.
15 36. Page 5, by striking line 1.
16 37. Page 5, line 2, by striking the word and
17 figure "three (73)".
18 38. Page 5, line 3, by striking the words "levied
19 and".
20 39. Page 5, line 3, by striking the word "previous"
21 and inserting in lieu thereof the word "base".
22 40. Page 5, line 6, by striking the word "accrued"
23 and inserting in lieu thereof the word "paid".
24 41. Page 5, line 7, by striking the word "levied"
25 and inserting in lieu thereof the word "paid".

Page 6

- 1 42. Page 5, line 9, by striking the word "bill"
2 and inserting in lieu thereof the word "receipt".
3 43. Page 5, by striking lines 13 through 23 and
4 inserting in lieu thereof the words "changes his home-
5 stead, this shall not prevent him from filing a claim
6 based on property taxes for which the claimant or a
7 person of his household was liable and which were
8 actually paid by the claimant or a person of his house-
9 hold, but duplication of claims shall not be allowed."
10 44. Page 5, line 25, by striking the word "accrued"
11 and inserting in lieu thereof the word "paid".
12 45. Page 5, line 28, by striking the words "accrued
13 by the claimant" and inserting in lieu thereof the word
14 "paid".
15 46. Page 5, by inserting after line 34 the follow-
16 ing new subsection:
17 11. "Base year" means:
18 a. For a claimant filing a claim for rent constituting
19 property taxes paid, the calendar year last ending
20 before the claim is filed.
21 b. For a claimant filing a claim for property taxes
22 paid, the state fiscal year ending in the calendar year
23 in which the claim is filed.
24 47. Page 6, by striking lines 12 through 35 and
25 inserting in lieu thereof the following:

Page 7

1 "Sec. 5. NEW SECTION. CLAIM AND REIMBURSEMENT.
2 Subject to the limitation provided in this Act, a
3 claimant may annually claim a reimbursement for property
4 taxes paid or rent constituting property taxes paid in
5 the base year. The amount of the reimbursement for
6 property taxes paid for a homestead, after audit or
7 certification by the director, shall be paid by joint
8 payee check to the claimant and the treasurer of the
9 county in which the homestead of the claimant is located,
10 and the amount of the reimbursement for rent constituting
11 property taxes paid shall be paid to the claimant only,
12 from the state general fund on or before September twenty-
13 fifth of each year commencing in 1974. If the amount
14 of the reimbursement to the claimant and county treasurer
15 exceeds the tax due from the claimant on or about
16 October first, the county treasurer shall credit the
17 remainder of the reimbursement to be applied against
18 property tax due from the claimant on or about April
19 first of the next calendar year with any remaining
20 excess to be paid by the county treasurer to the claimant
21 or his agent.

22 Sec. 6. NEW SECTION. FILING DATE. A claim for
23 reimbursement for property taxes paid or rent constituting
24 property taxes paid shall not be paid or allowed, unless
25 the claim is actually filed with and in the possession

Page 8

1 of the department of revenue on or before July thirty-
2 first of the year following the base year, beginning
3 July 31, 1974.

4 48. Page 7, line 6, by adding after the word
5 "months." the words "The director may also extend the
6 time for filing for all claimants or for any reasonable
7 group or class of claimants for a period not to exceed
8 three months if, in his judgment, good cause exists."

9 49. Page 7, lines 12 and 13, by striking the words
10 "year to which the claim relates" and inserting in lieu
11 thereof the words "base year".

12 50. Page 7, by striking lines 19 and 20 and inserting
13 in lieu thereof the following:

14 "this Act shall be determined as provided in this section.

15 1. The tentative reimbursement shall be the higher
16 of the two amounts determined as follows:

17 a. The amount shall be determined according to the
18 following schedule:"

19 51. Page 7, line 22, by striking the word "Accrued"
20 and inserting in lieu thereof the word "Paid".

21 52. Page 7, line 24, by striking the word "Accrued"
22 and inserting in lieu thereof the word "Paid".

23 53. Page 7, by striking lines 33 through 35.

24 54. Page 8, by striking lines 1 through 13 and
25 inserting in lieu thereof the following:

Page 9

1 b. If the claim is for property taxes paid, the
2 alternative tentative reimbursement shall be one hundred
3 twenty-five dollars, but not exceeding the amount of
4 property taxes paid in the base year, if both of the
5 following are true:

6 (1. The claimant was entitled to and received the
7 alternative homestead tax credit as provided in section
8 four hundred twenty-five point one (425.1), subsection
9 five (5) of the Code against property taxes paid in
10 the calendar year 1973.

11 (2. The household income is less than four thousand
12 dollars.

13 2. The actual reimbursement for property taxes paid
14 shall be determined by subtracting from the tentative
15 reimbursement the amount of the homestead credit under
16 section four hundred twenty-five point one (425.1) of
17 the Code which was allowed as a credit against property
18 taxes paid in the base year by the claimant or any person
19 of his household. If the subtraction produces a negative
20 amount, there shall be no reimbursement but no refund
21 shall be required. The actual reimbursement for rent
22 constituting property taxes paid shall be equal to the
23 tentative reimbursement.

24 55. Page 8, lines 15 through 18, by striking the
25 word "accrued" wherever it appears and inserting in

Page 10

1 lieu thereof the word "paid".

2 56. Page 8, line 16, by striking the word "one"
3 and inserting in lieu thereof the word "base".

4 57. Page 8, line 22, by inserting after the word
5 "claimants." the words "Each assessor and county treasurer
6 shall make available the forms and instructions."

7 58. Page 8, by striking lines 30 through 32 and
8 inserting in lieu thereof the following:

9 "1. Age and total disability, if any;

10 2. Property taxes paid or rent constituting property
11 taxes paid, including the portion of gross rent paid
12 for".

13 59. Page 8, line 35, by striking the colon and
14 inserting in lieu thereof the words "and a statement
15 whether the claimant is related by blood, marriage or
16 adoption to the owner or manager of the property
17 rented;".

18 60. Page 9A, by inserting before line 1 the follow-
19 ing new subsection:

20 Homestead credit allowed against property taxes paid;

21 61. Page 9A, line 7, by striking the word "accrued"
22 and inserting in lieu thereof the word "paid".

23 62. Page 9A, by adding after line 10 the following
24 new subsection:

25 Any information needed to determine whether the

Page 11

1 claimant is eligible for the alternative reimbursement
2 under section nine (9), subsection one (1), paragraph
3 b of this Act.

4 63. Page 9A, by striking lines 11 through 15.

5 64. Page 9A, by striking lines 21 through 25 and
6 inserting in lieu thereof the words "calculated or
7 that the claim is not allowable, he shall recalculate the
8 claim and notify the claimant of the recalculation or
9 denial and his reasons for it. The director shall not
10 adjust any claim after three years from July thirty-
11 first of the year in which the claim was filed."

12 65. Page 9A, by striking lines 30 through 34 and
13 inserting in lieu thereof the words "thirty (422.30) of
14 the Code. The recalculation of the claim shall be final
15 unless appealed as provided in section seventeen (17)
16 of this Act. The provisions of section four hundred
17 twenty-two point seventy (422.70) of the Code shall be
18 applicable with respect to this Act.

19 66. Page 9B, line 39, by striking the word "section"
20 and inserting in lieu thereof the words "sections four
21 hundred twnty-two point twenty (422.20) and ".

22 67. Page 10, by inserting after the period in line
23 18 the words "The director of revenue shall send a
24 notice of disallowance of the claim to the claimant."

25 68. Page 10, by striking lines 19 through 31 and

Page 12

1 inserting in lieu thereof the following:

2 Sec. 16. NEW SECTION. NOTICES. Section four hundred
3 twenty-two point fifty-seven (422.57), subsection one
4 (1) of the Code shall apply to all notices under this
5 Act.

6 Sec. 17. NEW SECTION. APPEALS. Any person aggrieved
7 by any act or decision of the director of revenue or
8 the department of revenue under this Act shall have the
9 same rights of appeal and review as provided in sections
10 four hundred twnty-one point one (421.1) and four
11 hundred twenty-two point fifty-three (422.53) of the
12 Code and the rules of the department of revenue.

13 69. Page 10, line 34, by inserting after the word
14 "claimant" the words "or a person of his household".

15 70. Page 11A, by striking lines 2 through 35 and
16 inserting in lieu thereof the following:

17 Sec. 19. NEW SECTION. RENT INCREASE--REQUEST AND
18 ORDER FOR REDUCTION. If upon petition by a claimant the
19 department of revenue determines that a landlord has in-
20 creased the claimant's rent primarily because the claimant
21 is eligible for reimbursement under this Act, the depart-
22 ment of revenue shall request the landlord by certified
23 mail to reduce the rent appropriately.

24 In determining whether a landlord has increased a
25 claimant's rent primarily because the claimant is eligible

Page 13

1 for reimbursement under this act, the department of revenue
2 shall consider the following factors:
3 1. The amount of the increase in rent.
4 2. If the landlord operates other rental property,
5 whether a similar increase was imposed on the other
6 rental property.
7 3. Increased or decreased costs of materials, supplies,
8 services, and taxes in the area.
9 4. The time the rent was increased.
10 5. Other relevant factors in each particular case.
11 If the landlord fails to comply with the request
12 of the department of revenue within fifteen days after
13 the request is mailed by the department, the department
14 of revenue shall order the rent reduced by an appropriate
15 amount.
16 Sec. 20. NEW SECTION. HEARINGS AND APPEALS. If the
17 department of revenue orders a landlord to reduce rent
18 to a claimant, then upon the request of the landlord
19 the department of revenue shall hold a prompt hearing
20 of the matter, to be conducted in accordance with the
21 rules of the department. The department of revenue
22 shall give notice of the decision by certified mail to
23 the claimant and to the landlord.
24 The claimant and the landlord shall have the rights
25 of appeal and review as provided in section seventeen

Page 14

1 (17) of this Act.
2 Sec. 21. NEW SECTION. DEFENSE TO ACTION FOR NON-
3 PAYMENT OF RENT. It is an affirmative defense to any
4 action by a landlord based upon nonpayment or partial
5 payment of rent that the landlord increased the rent
6 primarily because the tenant had received, or was
7 eligible for, reimbursement under this Act.
8 Sec. 22. NEW SECTION. DISCRIMINATION IN RENTALS
9 OR RENT CHARGES. Discrimination by a landlord in the
10 rental of or in rent charges for a homestead because
11 the tenant has received or is eligible for reimbursement
12 under this Act is a misdemeanor and the punishment
13 shall be the same as provided in section fifteen (15)
14 of this Act.
15 Sec. 23. NEW SECTION. RULES. The director of revenue
16 shall adopt rules in accordance with chapter seventeen
17 A (17A) of the Code for the interpretation and proper
18 administration of this Act, including
19 rules to prevent and disallow duplication of benefits
20 and to prevent any unreasonable hardship or advantage
21 to any person.
22 71. Page 11B, by striking lines 36 through 68 and
23 inserting in lieu thereof the following:
24 Sec. 24. NEW SECTION. 1. Any person who is entitled
25 to the alternative homestead tax credit as provided in

Senate 17
June 25, 1973

Page 15

1 section four hundred twenty-five point one (425.1),
2 subsection five (5) of the Code and who properly applies
3 for the credit on or before July 1, 1973, shall be allowed
4 the credit against taxes on the eligible homestead payable
5 in the extended fiscal year beginning January 1, 1974
6 and ending June 30, 1975, in an amount equal to one
7 hundred twenty-five dollars, except that the credit shall
8 not exceed two-thirds of the amount of the property
9 taxes payable on the homestead in the extended fiscal
10 year.

11 2. The credits referred to in subsection one (1) of
12 this section shall be the final credits allowed under
13 section four hundred twenty-five point one (425.1),
14 subsection five (5) of the Code, and thereafter no
15 credit shall be allowed thereunder.

16 3. Credits allowed under section four hundred
17 twenty-five point one (425.1), subsection five (5) of
18 the Code against taxes payable in 1973 or in the extended
19 fiscal year beginning January 1, 1974 and ending June 30,
20 1975, shall be subtracted in determining reimbursement
21 under this Act as provided in section nine (9), sub-
22 section two (2) of this Act.

23 72. Page 12, by striking lines 1 through 20.

24 73. Page 12, line 27, by striking the word and
25 figure "July 2, 1973" and inserting in lieu thereof the

Page 16

1 word and figure "December 31, 1973".

2 74. Renumber sections and correct internal references
3 in accordance with this amendment.

Received from the House
June 23, 1973

Senate concurred 6/23 (1973)