

Reprinted 5/11/81

APR 16 1981

HOUSE FILE 844

WAYS & MEANS CALENDAR

BY COMMITTEE ON WAYS AND MEANS

(Formerly House File 516)

Passed House, Date 5-5-81 (p 1655) Passed Senate, Date _____

Vote: Ayes 93 Nays 2 Vote: Ayes _____ Nays _____

Approved _____

Report to committee (p 1659) w/r 5/6/81

A BILL FOR

1 An Act relating to the filing of a claim for the homestead
 2 credit or military service tax exemption only once and
 3 providing that the credit or exemption will be granted
 4 without refiling a claim for as long as the person or
 5 the person's spouse owns the property designated for
 6 the credit or exemption on July 1 and providing for a
 7 January 1 effective date.

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

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1 Section 1. Section 425.2, unnumbered paragraph 1, Code
2 1981, is amended by striking the paragraph and inserting in
3 lieu thereof the following:

4 A person who wishes to qualify for the credit allowed under
5 this chapter, shall obtain the appropriate forms for filing
6 for the credit from the assessor. The person claiming the
7 credit shall file a verified statement and designation of
8 homestead with the assessor for the year for which the person
9 is first claiming the credit. The claim shall be filed not
10 later than July 1 of the year for which the person is claiming
11 the credit.

12 Upon the filing and allowance of the claim, the claim shall
13 be allowed on that homestead for successive years without
14 further filing as long as the property is legally or equitably
15 owned and used as a homestead by that person or that person's
16 spouse on July 1 of each of those successive years. When
17 the property is sold or transferred, the buyer or transferee
18 who wishes to qualify shall refile for the credit. An owner
19 who ceases to use a property for a homestead shall provide
20 written notice to the assessor by July 1 following the date
21 on which the use is changed.

22 In case the owner of the homestead is in active service
23 in the armed forces of this state or of the United States,
24 or is sixty-five years of age or older, or is disabled, the
25 statement and designation may be signed and delivered by any
26 member of the owner's family, by the owner's guardian or
27 conservator, or by any other person who may represent the
28 owner under power of attorney. If the owner of the homestead
29 is married, the spouse may sign and deliver the statement
30 and designation. The commissioner of social services or the
31 commissioner's designee may make application for the benefits
32 of this chapter as the agent for and on behalf of persons
33 receiving assistance under chapter 249.

34 Sec. 2. Section 425.3, Code 1981, is amended by striking
35 the section and inserting in lieu thereof the following:

1 425.3 VERIFICATION OF CLAIMS FOR HOMESTEAD CREDIT. The
2 assessor shall retain a permanent file of current homestead
3 claims filed in the assessor's office. The assessor shall
4 file a notice of transfer of property for which a claim is
5 filed when notice is received from the office of the county
6 recorder.

7 The county recorder shall give notice to the assessor of
8 each transfer of title filed in the recorder's office. The
9 notice shall describe the property transferred, the name of
10 the person transferring the title to the property, and the
11 name of the person to whom title to the property has been
12 transferred.

13 Not later than July 2 of each year, the assessor shall
14 remit the statements and designation of homesteads to the
15 county auditor with the assessor's recommendation for allowance
16 or disallowance. If the assessor recommends disallowance
17 of a claim, the assessor shall submit the reasons for the
18 recommendation, in writing, to the county auditor.

19 The county auditor shall forward the claims to the board
20 of supervisors. The board shall allow or disallow the claims.
21 If the board disallows a claim, it shall send written notice,
22 by certified mail, to the claimant at the claimant's last
23 known address. The notice shall state the reasons for
24 disallowing the claim for the credit.

25 Sec. 3. Section 425.6, Code 1981, is amended by striking
26 the section and inserting in lieu thereof the following:

27 425.6 WAIVER BY NEGLECT. If a person fails to file a
28 claim or to have a claim on file with the assessor for the
29 credits provided in this chapter, the person is deemed to
30 have waived the homestead credit for the year in which the
31 person failed to file the claim or to have a claim on file
32 with the assessor.

33 Sec. 4. Section 425.7, subsection 3, Code 1981, is amended
34 to read as follows:

35 3. ~~Should~~ If the director of revenue ~~determine~~-upon

1 ~~investigation~~, determines that any claim for homestead credit
2 has been allowed by any board of supervisors which is not
3 justifiable under the law and not substantiated by proper
4 facts, the director may, at any time within twenty-four months
5 from July 1 of the year in which the claim is ~~filed~~ allowed,
6 set aside ~~such~~ the allowance. Notice of ~~such~~ the disallowance
7 shall be given to the county auditor of the county in which
8 ~~such~~ the claim has been improperly granted and a written
9 notice of ~~such~~ the disallowance shall also be addressed to
10 the claimant at ~~his~~ the claimant's last known address. ~~Such~~
11 The claimant, or the board of supervisors, may seek judicial
12 review of the action of the director of revenue in accordance
13 with ~~the terms of~~ the Iowa administrative procedure Act.
14 In any case where a claim is so disallowed by the director
15 of revenue and ~~no~~ a petition for judicial review is not filed
16 with respect to ~~such~~ the disallowance, any amounts of credits
17 allowed and paid from the homestead credit fund shall become
18 a lien upon the property on which said credit was originally
19 granted, if still in the hands of the claimant, and not in
20 the hands of a bona fide purchaser, and any amount so
21 erroneously paid shall be collected by the county treasurer
22 in the same manner as other taxes and ~~such~~ the collections
23 shall be returned to the department of revenue and credited
24 to the homestead credit fund. The director of revenue shall
25 ~~also have the authority to~~ may institute legal proceedings
26 against a homestead credit claimant for the collection of
27 all payments made on ~~such~~ disallowed credits.

28 Sec. 5. Section 425.11, subsection 1, paragraph a, un-
29 numbered subparagraph 1, Code 1981, is amended by striking
30 the subparagraph and inserting in lieu thereof the following:

31 The homestead must embrace the dwelling house which the
32 owner, in good faith, is occupying as a home on July 1 of
33 the year for which the credit is claimed, except as herein
34 provided:

35 Sec. 6. Section 426A.6, Code 1981, is amended to read

1 as follows:

2 426A.6 SETTING ASIDE ALLOWANCE. ~~Should~~ If the director
3 of revenue ~~determine, upon investigation,~~ determines that
4 any claim for military service tax exemption has been allowed
5 by any board of supervisors which is not justifiable under
6 the law and not substantiated by proper facts, the director
7 may, at any time within twenty-four months from July 1 of
8 the year in which the claim is ~~filed~~ allowed, set aside ~~such~~
9 the allowance. Notice of ~~such~~ the disallowance shall be given
10 to the county auditor of the county in which ~~such~~ the claim
11 has been improperly granted and a written notice of ~~such~~ the
12 disallowance shall also be addressed to the claimant at ~~his~~
13 the claimant's last known address. ~~Such~~ The claimant, or
14 the board of supervisors, may seek judicial review of the
15 action of the director of revenue in accordance with ~~the terms~~
16 of the Iowa administrative procedure Act. In any case, where
17 a claim is so disallowed by the director of revenue and ~~no~~
18 a petition for judicial review is not filed with respect to
19 ~~such~~ the disallowance, any amounts of credits allowed and
20 paid from the military service tax credit fund shall become
21 a lien upon the property on which ~~said~~ the credit was
22 originally granted, if still in the hands of the claimant,
23 and not in the hands of a bona fide purchaser, and any amount
24 so erroneously paid shall be collected by the county treasurer
25 in the same manner as other taxes and ~~such~~ the collections
26 shall be returned to the department of revenue and credited
27 to the military service tax credit fund. The director of
28 revenue ~~shall also have the authority to~~ may institute legal
29 proceedings against a military service tax exemption claimant
30 for the collection of all payments made on ~~such~~ disallowed
31 exemptions.

32 Sec. 7. Section 427.5, Code 1981, is amended by striking
33 the section and inserting in lieu thereof the following:

34 427.5 CLAIM FOR MILITARY TAX EXEMPTION--DISCHARGE RECORDED.
35 A person named in section 427.3, who is a resident of and

1 domiciled in the state of Iowa, shall receive a reduction
2 equal to the exemption, to be made from any property owned
3 by the person and so designated by proceeding as hereafter
4 provided. In order to be eligible to receive the exemption
5 the person claiming it shall have had recorded in the office
6 of the county recorder of the county in which is located the
7 property designated for the exemption, the military certificate
8 of satisfactory service, order transferring to inactive status,
9 reserve, retirement, or order of separation from service,
10 or honorable discharge of the person claiming or through whom
11 is claimed the exemption. If the evidence of satisfactory
12 service, separation, retirement, furlough to reserve, inactive
13 status, or honorable discharge is lost the claimant may record
14 in lieu thereof a certified copy.

15 The person shall file with the appropriate assessor on
16 forms obtained from the assessor the claim for exemption
17 for the year for which the person is first claiming the
18 exemption. The claim shall be filed not later than July 1
19 of the year for which the person is claiming the exemption.
20 The claim shall set out the fact that the person is a resident
21 of and domiciled in the state of Iowa, and a person within
22 the terms of section 427.3, and shall give the volume and
23 page on which the certificate of satisfactory service, order
24 of separation, retirement, furlough to reserve, inactive
25 status, or honorable discharge or certified copy thereof is
26 recorded in the office of the county recorder, and may include
27 the designation of the property from which the exemption is
28 to be made, and shall further state that the claimant is the
29 equitable and legal owner of the property designated.

30 Upon the filing and allowance of the claim, the claim shall
31 be allowed to that person for successive years without further
32 filing. Provided, that notwithstanding the filing or having
33 on file a claim for exemption, the person or person's spouse
34 is the legal or equitable owner of the property on July 1
35 of the year for which the claim is allowed. When the property

1 is sold or transferred or the person wishes to designate
2 different property for the exemption, a person who wishes
3 to receive the exemption shall refile for the exemption.

4 In case the owner of the property is in active service
5 in any of the armed forces of the United States or of this
6 state, including the nurses corps of the state or of the
7 United States, or is sixty-five years of age or older, or
8 is disabled, the claim may be filed by any member of the
9 owner's family, by the owner's guardian or conservator, or
10 by any other person who may represent the owner under power
11 of attorney. In all cases where the owner of the property
12 is married, the spouse may file the claim for exemption.

13 A person may not claim an exemption in more than one county
14 of the state, and if a designation is not made the exemption
15 shall apply to the homestead, if any.

16 Sec. 8. Section 427.6, unnumbered paragraph 1, Code 1981,
17 is amended by striking the paragraph and inserting in lieu
18 thereof the following:

19 The assessor shall retain a permanent file of current
20 military service tax exemption claims filed in the assessor's
21 office. The assessor shall file a notice of transfer of
22 property for which a claim is filed when notice is received
23 from the office of the county recorder.

24 The county recorder shall give notice to the assessor of
25 each transfer of title filed in the recorder's office. The
26 notice shall describe the property transferred, the name of
27 the person transferring the title to the property, and the
28 name of the person to whom title to the property has been
29 transferred.

30 Not later than July 2 of each year, the assessor shall
31 remit the claims and designations of property to the county
32 auditor with the assessor's recommendation for allowance or
33 disallowance. If the assessor recommends disallowance of
34 a claim, the assessor shall submit the reasons for the
35 recommendation, in writing, to the county auditor.

1 The county auditor shall forward the claims to the board
2 of supervisors. The board shall allow or disallow the claims.
3 If the board disallows a claim, it shall send written notice,
4 by certified mail, to the claimant at the claimant's last
5 known address. The notice shall state the reasons for
6 disallowing the claim for the exemption.

7 Sec. 9. This Act takes effect January 1 following its
8 enactment.

9 EXPLANATION

10 The bill provides that a person seeking the homestead tax
11 credit under section 425.1 or the military service tax
12 exemption under section 427.3 must file only once for the
13 particular homestead or property for which the credit or
14 exemption is claimed. The assessor will keep this claim on
15 file and grant credits or exemptions in succeeding years so
16 long as the person still owns the homestead or designated
17 property. The person receiving a homestead credit must notify
18 the assessor if the person no longer uses the property for
19 a homestead. A new owner of property on which a credit or
20 exemption was granted must file a claim for his or her credit
21 or exemption on the property as a homestead or as property
22 designated for the military service exemption. Notwithstanding
23 that a claim for credit or exemption is filed or on file,
24 a person will not receive the credit or exemption unless the
25 person owns the property on July 1 and, in the case of the
26 homestead credit occupies the dwelling as a home on July 1,
27 of the year for which the credit or exemption is to be granted.

28 The bill takes effect January 1 following its enactment.

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HOUSE FILE 844

H-3810

1 Amend House File 844 as follows:

2 1. Page 3, line 17, by inserting after the word
3 "shall" the words "including the penalty, if any.".

4 2. Page 3, line 21, by inserting after the word
5 "paid" the words "including the penalty, if any.".

6 3. Page 3, line 27, by inserting after the word
7 "credits" the words "and the penalty, if any. If
8 a homestead credit is disallowed and the claimant
9 failed to give written notice to the assessor as
10 required by section 425.2 when the property ceased
11 to be used as a homestead by the claimant, a civil
12 penalty equal to fifty percent of the amount of the
13 disallowed credit is assessed against the claimant."

14 4. Page 3, by inserting after line 27 the
15 following:

16 "Sec. ____ . Section 425.8, unnumbered paragraph
17 1, Code 1981, is amended to read as follows:

18 The director of revenue shall prescribe the form
19 for the making of verified statement and designation
20 of homestead, and the form for the supporting
21 affidavits required herein, and such other forms as
22 may be necessary for the proper administration of
23 this chapter. ~~As seen as practicable after the~~
24 ~~effective date of this chapter, and from time to time~~
25 ~~thereafter as~~ Whenever necessary, the department of
26 revenue shall forward to the county auditors of the
27 several counties in the state ~~such~~ the prescribed
28 sample forms, and the county auditors shall furnish
29 blank forms prepared in accordance therewith with
30 the assessment rolls, books, and supplies delivered
31 to the assessors. The department of revenue shall
32 prescribe and the county auditors shall provide on
33 the forms for claiming the homestead credit a statement
34 to the effect that the owner realizes that he or she
35 must give written notice to the assessor when the
36 owner changes the use of the property."

37 5. Page 7, by inserting after line 6 the following:

38 "Sec. ____ . A claim for the homestead tax credit
39 or the military service tax exemption for the fiscal
40 year beginning on July 1 following the effective date
41 of this Act shall not be allowed unless the claim
42 for the homestead tax credit or the military service
43 tax exemption is filed between January 1 and July
44 1 of the calendar year following enactment of this
45 Act."

46 6. By numbering and renumbering and correcting
47 internal references as are necessary.

48 7. Title page, line 6, by inserting after the
49 date "July 1" the words ", providing for a civil
50 penalty.".

HOUSE FILE 844

H-3960

- 1 Amend House File 844 as follows:
- 2 1. Page 1, line 21, by inserting after the word
- 3 "changed." the words "A person who sells or transfers
- 4 a homestead or the personal representative of a
- 5 deceased person who had a homestead at the time of
- 6 death, may provide written notice to the assessor
- 7 that the property is no longer the homestead of the
- 8 former claimant."

H-3960 FILED MAY 1, 1981 BY SPEAR of Lee

adopted 5/5/81 (p 1653)

HOUSE FILE 844

H-3994

- 1 Amend House File 844 as follows:
- 2 1. Page 2, line 13, by striking the numeral "2"
- 3 and inserting in lieu thereof the numeral "6".

H-3994 FILED MAY 4, 1981

BY SPEAR of Lee

adopted 5/5/81 (p 1653)

HOUSE FILE 844

H-4006

- 1 Amend House File 844 as follows:
- 2 1. Page 6, line 30, by striking the numeral "2"
- 3 and inserting in lieu thereof the numeral "6".

H-4006 FILED MAY 5, 1981

BY SPEAR of Lee

ADOPTED *(p 1654)*

5/12/81

Ways and Means
Priebe, Chairperson
Lura
Readinger

*Amend p. 5218
Do Pass 3/4 (p. 654)*

HOUSE FILE 844

By COMMITTEE ON WAYS AND MEANS

(As Amended and Passed by the House)

Re Passed House, Date 4-21-82 (p. 1611) Passed Senate, Date 4-14-82 (p. 1188)

Vote: Ayes 95 Nays 0 Vote: Ayes 46 Nays 0

Approved May 22, 1982
Motion to reconsider (p. 1208) 4/10 4/14 (p. 1223)

A BILL FOR

1 An Act relating to the filing of a claim for the homestead
2 credit or military service tax exemption only once and
3 providing that the credit or exemption will be granted
4 without refiling a claim for as long as the person or
5 the person's spouse owns the property designated for
6 the credit or exemption on July 1, providing for a
7 civil penalty, and providing for a January 1 effective
8 date.

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

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House Amendments _____

1 Section 1. Section 425.2, unnumbered paragraph 1, Code
2 1981, is amended by striking the paragraph and inserting in
3 lieu thereof the following:

4 A person who wishes to qualify for the credit allowed under
5 this chapter, shall obtain the appropriate forms for filing
6 for the credit from the assessor. The person claiming the
7 credit shall file a verified statement and designation of
8 homestead with the assessor for the year for which the person
9 is first claiming the credit. The claim shall be filed not
10 later than July 1 of the year for which the person is claiming
11 the credit.

12 Upon the filing and allowance of the claim, the claim shall
13 be allowed on that homestead for successive years without
14 further filing as long as the property is legally or equitably
15 owned and used as a homestead by that person or that person's
16 spouse on July 1 of each of those successive years. When
17 the property is sold or transferred, the buyer or transferee
18 who wishes to qualify shall refile for the credit. An owner
19 who ceases to use a property for a homestead shall provide
20 written notice to the assessor by July 1 following the date
21 on which the use is changed. A person who sells or transfers
22 a homestead or the personal representative of a deceased

5218- 23 person who had a homestead at the time of death, may provide
24 written notice to the assessor that the property is no longer
25 the homestead of the former claimant.

26 In case the owner of the homestead is in active service
27 in the armed forces of this state or of the United States,
28 or is sixty-five years of age or older, or is disabled, the
29 statement and designation may be signed and delivered by any
30 member of the owner's family, by the owner's guardian or
31 conservator, or by any other person who may represent the
32 owner under power of attorney. If the owner of the homestead
33 is married, the spouse may sign and deliver the statement
34 and designation. The commissioner of social services or the
35 commissioner's designee may make application for the benefits

1 of this chapter as the agent for and on behalf of persons
2 receiving assistance under chapter 249.

3 Sec. 2. Section 425.3, Code 1981, is amended by striking
4 the section and inserting in lieu thereof the following:

5 425.3 VERIFICATION OF CLAIMS FOR HOMESTEAD CREDIT. The
6 assessor shall retain a permanent file of current homestead
7 claims filed in the assessor's office. The assessor shall
8 file a notice of transfer of property for which a claim is
9 filed when notice is received from the office of the county
10 recorder.

11 The county recorder shall give notice to the assessor of
12 each transfer of title filed in the recorder's office. The
13 notice shall describe the property transferred, the name of
14 the person transferring the title to the property, and the
15 name of the person to whom title to the property has been
16 transferred.

17 Not later than July 6 of each year, the assessor shall
18 remit the statements and designation of homesteads to the
19 county auditor with the assessor's recommendation for allowance
20 or disallowance. If the assessor recommends disallowance
21 of a claim, the assessor shall submit the reasons for the
22 recommendation, in writing, to the county auditor.

23 The county auditor shall forward the claims to the board
24 of supervisors. The board shall allow or disallow the claims.
25 If the board disallows a claim, it shall send written notice,
26 by certified mail, to the claimant at the claimant's last
27 known address. The notice shall state the reasons for
28 disallowing the claim for the credit.

29 Sec. 3. Section 425.6, Code 1981, is amended by striking
30 the section and inserting in lieu thereof the following:

31 425.6 WAIVER BY NEGLECT. If a person fails to file a
32 claim or to have a claim on file with the assessor for the
33 credits provided in this chapter, the person is deemed to
34 have waived the homestead credit for the year in which the
35 person failed to file the claim or to have a claim on file

1 with the assessor.

2 Sec. 4. Section 425.7, subsection 3, Code 1981, is amended
3 to read as follows:

4 3. ~~Should~~ If the director of revenue ~~determine~~, upon
5 ~~investigation~~, determines that any claim for homestead credit
6 has been allowed by any board of supervisors which is not
7 justifiable under the law and not substantiated by proper
8 facts, the director may, at any time within twenty-four months
9 from July 1 of the year in which the claim is ~~filed~~ allowed,
10 set aside ~~such~~ the allowance. Notice of ~~such~~ the disallowance
11 shall be given to the county auditor of the county in which
12 ~~such~~ the claim has been improperly granted and a written
13 notice of ~~such~~ the disallowance shall also be addressed to
14 the claimant at ~~his~~ the claimant's last known address. ~~Such~~
15 The claimant, or the board of supervisors, may seek judicial
16 review of the action of the director of revenue in accordance
17 with ~~the-terms-of~~ the Iowa administrative procedure Act.
18 In any case where a claim is so disallowed by the director
19 of revenue and ~~no~~ a petition for judicial review is not filed
20 with respect to ~~such~~ the disallowance, any amounts of credits
21 allowed and paid from the homestead credit fund ~~shall~~ including
22 the penalty, if any, become a lien upon the property on which
23 ~~said~~ credit was originally granted, if still in the hands
24 of the claimant, and not in the hands of a bona fide purchaser,
25 and any amount so erroneously paid including the penalty,
26 if any, shall be collected by the county treasurer in the
27 same manner as other taxes and ~~such~~ the collections shall
28 be returned to the department of revenue and credited to the
29 homestead credit fund. The director of revenue ~~shall-also~~
30 ~~have-the-authority-to~~ may institute legal proceedings against
31 a homestead credit claimant for the collection of all payments
32 made on ~~such~~ disallowed credits and the penalty, if any.
33 If a homestead credit is disallowed and the claimant failed
34 to give written notice to the assessor as required by section
35 425.2 when the property ceased to be used as a homestead by

1 the claimant, a civil penalty equal to fifty percent of the
2 amount of the disallowed credit is assessed against the
3 claimant.

4 Sec. 5. Section 425.8, unnumbered paragraph 1, Code 1981,
5 is amended to read as follows:

6 The director of revenue shall prescribe the form for the
7 making of verified statement and designation of homestead,
8 and the form for the supporting affidavits required herein,
9 and such other forms as may be necessary for the proper
10 administration of this chapter. ~~As-soon-as-practicable-after~~
11 ~~the-effective-date-of-this-chapter, and from time to time~~
12 thereafter as Whenever necessary, the department of revenue
13 shall forward to the county auditors of the several counties
14 in the state such the prescribed sample forms, and the county
15 auditors shall furnish blank forms prepared in accordance
16 therewith with the assessment rolls, books, and supplies
17 delivered to the assessors. The department of revenue shall
18 prescribe and the county auditors shall provide on the forms
19 for claiming the homestead credit a statement to the effect
20 that the owner realizes that he or she must give written
21 notice to the assessor when the owner changes the use of the
22 property.

23 Sec. 6. Section 425.11, subsection 1, paragraph a, un-
24 numbered subparagraph 1, Code 1981, is amended by striking
25 the subparagraph and inserting in lieu thereof the following:

26 The homestead must embrace the dwelling house which the
27 owner, in good faith, is occupying as a home on July 1 of
28 the year for which the credit is claimed, except as herein
29 provided.

30 Sec. 7. Section 426A.6, Code 1981, is amended to read
31 as follows:

32 426A.6 SETTING ASIDE ALLOWANCE. ~~Should~~ If the director
33 of revenue ~~determine, upon investigation,~~ determines that
34 any claim for military service tax exemption has been allowed
35 by any board of supervisors which is not justifiable under

1 the law and not substantiated by proper facts, the director
2 may, at any time within twenty-four months from July 1 of
3 the year in which the claim is ~~filed~~ allowed, set aside ~~such~~
4 the allowance. Notice of ~~such~~ the disallowance shall be given
5 to the county auditor of the county in which ~~such~~ the claim
6 has been improperly granted and a written notice of ~~such~~ the
7 disallowance shall also be addressed to the claimant at ~~his~~
8 the claimant's last known address. ~~Such~~ The claimant, or
9 the board of supervisors, may seek judicial review of the
10 action of the director of revenue in accordance with ~~the terms~~
11 of the Iowa administrative procedure Act. In any case, where
12 a claim is so disallowed by the director of revenue and ~~no~~
13 a petition for judicial review is not filed with respect to
14 ~~such~~ the disallowance, any amounts of credits allowed and
15 paid from the military service tax credit fund shall become
16 a lien upon the property on which ~~said~~ the credit was
17 originally granted, if still in the hands of the claimant,
18 and not in the hands of a bona fide purchaser, and any amount
19 so erroneously paid shall be collected by the county treasurer
20 in the same manner as other taxes and ~~such~~ the collections
21 shall be returned to the department of revenue and credited
22 to the military service tax credit fund. The director of
23 revenue ~~shall also have the authority to~~ may institute legal
24 proceedings against a military service tax exemption claimant
25 for the collection of all payments made on ~~such~~ disallowed
26 exemptions.

27 Sec. 8. Section 427.5, Code 1981, is amended by striking
28 the section and inserting in lieu thereof the following:

29 427.5 CLAIM FOR MILITARY TAX EXEMPTION--DISCHARGE RECORDED.

30 A person named in section 427.3, who is a resident of and
31 domiciled in the state of Iowa, shall receive a reduction
32 equal to the exemption, to be made from any property owned
33 by the person and so designated by proceeding as hereafter
34 provided. In order to be eligible to receive the exemption
35 the person claiming it shall have had recorded in the office

1 of the county recorder of the county in which is located the
2 property designated for the exemption, the military certificate
3 of satisfactory service, order transferring to inactive status,
4 reserve, retirement, or order of separation from service,
5 or honorable discharge of the person claiming or through whom
6 is claimed the exemption. If the evidence of satisfactory
7 service, separation, retirement, furlough to reserve, inactive
8 status, or honorable discharge is lost the claimant may record
9 in lieu thereof a certified copy.

10 The person shall file with the appropriate assessor on
11 forms obtained from the assessor the claim for exemption for
12 the year for which the person is first claiming the exemption.
13 The claim shall be filed not later than July 1 of the year
14 for which the person is claiming the exemption. The claim
15 shall set out the fact that the person is a resident of and
16 domiciled in the state of Iowa, and a person within the terms
17 of section 427.3, and shall give the volume and page on which
18 the certificate of satisfactory service, order of separation,
19 retirement, furlough to reserve, inactive status, or honorable
20 discharge or certified copy thereof is recorded in the office
21 of the county recorder, and may include the designation of
22 the property from which the exemption is to be made, and shall
23 further state that the claimant is the equitable and legal
24 owner of the property designated.

25 Upon the filing and allowance of the claim, the claim shall
26 be allowed to that person for successive years without further
27 filing. Provided, that notwithstanding the filing or having
28 on file a claim for exemption, the person or person's spouse
29 is the legal or equitable owner of the property on July 1
30 of the year for which the claim is allowed. When the property
31 is sold or transferred or the person wishes to designate
32 different property for the exemption, a person who wishes
33 to receive the exemption shall refile for the exemption.

34 In case the owner of the property is in active service
35 in any of the armed forces of the United States or of this

1 state, including the nurses corps of the state or of the
2 United States, or is sixty-five years of age or older, or
3 is disabled, the claim may be filed by any member of the
4 owner's family, by the owner's guardian or conservator, or
5 by any other person who may represent the owner under power
6 of attorney. In all cases where the owner of the property
7 is married, the spouse may file the claim for exemption.
8 A person may not claim an exemption in more than one county
9 of the state, and if a designation is not made the exemption
10 shall apply to the homestead, if any.

11 Sec. 9. Section 427.6, unnumbered paragraph 1, Code 1981,
12 is amended by striking the paragraph and inserting in lieu
13 thereof the following:

14 The assessor shall retain a permanent file of current
15 military service tax exemption claims filed in the assessor's
16 office. The assessor shall file a notice of transfer of
17 property for which a claim is filed when notice is received
18 from the office of the county recorder.

19 The county recorder shall give notice to the assessor of
20 each transfer of title filed in the recorder's office. The
21 notice shall describe the property transferred, the name of
22 the person transferring the title to the property, and the
23 name of the person to whom title to the property has been
24 transferred.

25 Not later than July 6 of each year, the assessor shall
26 remit the claims and designations of property to the county
27 auditor with the assessor's recommendation for allowance or
28 disallowance. If the assessor recommends disallowance of
29 a claim, the assessor shall submit the reasons for the
30 recommendation, in writing, to the county auditor.

31 The county auditor shall forward the claims to the board
32 of supervisors. The board shall allow or disallow the claims.
33 If the board disallows a claim, it shall send written notice,
34 by certified mail, to the claimant at the claimant's last
35 known address. The notice shall state the reasons for

1 disallowing the claim for the exemption.

2 Sec. 10. A claim for the homestead tax credit or the
3 military service tax exemption for the fiscal year beginning
4 on July 1 following the effective date of this Act shall not
5 be allowed unless the claim for the homestead tax credit or
6 the military service tax exemption is filed between January
7 1 and July 1 of the calendar year following enactment of this
8 Act.

9 Sec. 11. This Act takes effect January 1 following its
10 enactment.

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SENATE AMENDMENT TO HOUSE FILE 844

H-5891

1 Amend House File 844 as amended, passed and
2 reprinted by the House as follows:

3 1. Page 1, line 23, by striking the word "may"
4 and inserting in lieu thereof the word "shall".

5 2. Page 6, line 33, by inserting after the words
6 "for the exemption." the words "A person who sells
7 or transfers property which is designated for the
8 exemption or the personal representative of a deceased
9 person who owned such property shall provide written
10 notice to the assessor that the property is no longer
11 legally or equitably owned by the former claimant."

12 3. Page 7, line 18, by inserting after the word
13 "recorder" the words ", from the person who sold or
14 transferred the property, or from the personal
15 representative of a deceased claimant".

16 4. Page 8, line 8, by inserting after the word
17 "Act." the following: "Upon receipt of an application
18 for a claim for homestead tax credit or military
19 service tax exemption for the fiscal year beginning
20 on July 1 following the effective date of this Act,
21 the assessor shall provide written material as
22 prescribed by the department of revenue on the
23 requirements of the claimant under this Act and other
24 information deemed by the department to be needed
25 by the claimant in carrying out the claimant's
26 responsibilities under this Act. The material shall
27 provide notice that the claimant or personal
28 representative of the claimant will be subject to
29 a civil penalty for failure to provide the assessor
30 with written notice of the occurrence of certain
31 events. These events shall be specified in the
32 material presented to the claimant."

H-5891 FILED APRIL 19, 1982

RECEIVED FROM THE SENATE

House concurred 4/21 (p. 1610)

HOUSE FILE 844

S-5218

- 1 Amend House File 844 as amended, passed and
- 2 reprinted by the House, as follows:
- 3 1. Page 1, line 23, by striking the word "may"
- 4 and inserting in lieu thereof the word "shall".

S-5218 FILED
MARCH 9, 1982

BY COMMITTEE ON WAYS AND MEANS
ROLF V. CRAFT, CHAIR

Adopted 4/14 (p. 1188)

HOUSE FILE 844

S-5297

- 1 Amend House File 844 as amended, passed and
- 2 reprinted by the House, as follows:
- 3 1. Page 8, line 8, by inserting after the word
- 4 "Act." the following: "Upon receipt of an application
- 5 for a claim for homestead tax credit or military
- 6 service tax exemption for the fiscal year beginning
- 7 on July 1 following the effective date of this Act,
- 8 the assessor shall provide written material as
- 9 prescribed by the department of revenue on the
- 10 requirements of the claimant under this Act and other
- 11 information deemed by the department to be needed
- 12 by the claimant in carrying out the claimant's
- 13 responsibilities under this Act. The material shall
- 14 provide notice that the claimant or personal
- 15 representative of the claimant will be subject to
- 16 a civil penalty for failure to provide the assessor
- 17 with written notice of the occurrence of certain
- 18 events. These events shall be specified in the
- 19 material presented to the claimant."

S-5297 FILED
MARCH 18, 1982

BY NORMAN G. RODGERS
ROLF V. CRAFT

Adopted 4/14 (p. 1188)

HOUSE FILE 844

S-5568

- 1 Amend House File 844 as amended, passed and
- 2 reprinted by the House, as follows:
- 3 1. Page 6, line 33, by inserting after the words
- 4 "for the exemption." the words "A person who sells
- 5 or transfers property which is designated for the
- 6 exemption or the personal representative of a deceased
- 7 person who owned such property shall provide written
- 8 notice to the assessor that the property is no longer
- 9 legally or equitably owned by the former claimant."
- 10 2. Page 7, line 18, by inserting after the word
- 11 "recorder" the words ", from the person who sold or
- 12 transferred the property, or from the personal
- 13 representative of a deceased claimant".

S-5568 FILED
APRIL 13, 1982

BY JULIA GENTLEMAN

Adopted 4/14 (p. 1189)

HOUSE FILE 844

AN ACT

RELATING TO THE FILING OF A CLAIM FOR THE HOMESTEAD CREDIT OR MILITARY SERVICE TAX EXEMPTION ONLY ONCE AND PROVIDING THAT THE CREDIT OR EXEMPTION WILL BE GRANTED WITHOUT REFILEING A CLAIM FOR AS LONG AS THE PERSON OR THE PERSON'S SPOUSE OWNS THE PROPERTY DESIGNATED FOR THE CREDIT OR EXEMPTION ON JULY 1, PROVIDING FOR A CIVIL PENALTY, AND PROVIDING FOR A JANUARY 1 EFFECTIVE DATE.

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

Section 1. Section 425.2, unnumbered paragraph 1, Code 1981, is amended by striking the paragraph and inserting in lieu thereof the following:

A person who wishes to qualify for the credit allowed under this chapter, shall obtain the appropriate forms for filing for the credit from the assessor. The person claiming the credit shall file a verified statement and designation of homestead with the assessor for the year for which the person is first claiming the credit. The claim shall be filed not later than July 1 of the year for which the person is claiming the credit.

Upon the filing and allowance of the claim, the claim shall be allowed on that homestead for successive years without further filing as long as the property is legally or equitably owned and used as a homestead by that person or that person's spouse on July 1 of each of those successive years. When the property is sold or transferred, the buyer or transferee who wishes to qualify shall refile for the credit. An owner who ceases to use a property for a homestead shall provide written notice to the assessor by July 1 following the date on which the use is changed. A person who sells or transfers a homestead or the personal representative of a deceased

person who had a homestead at the time of death, shall provide written notice to the assessor that the property is no longer the homestead of the former claimant.

In case the owner of the homestead is in active service in the armed forces of this state or of the United States, or is sixty-five years of age or older, or is disabled, the statement and designation may be signed and delivered by any member of the owner's family, by the owner's guardian or conservator, or by any other person who may represent the owner under power of attorney. If the owner of the homestead is married, the spouse may sign and deliver the statement and designation. The commissioner of social services or the commissioner's designee may make application for the benefits of this chapter as the agent for and on behalf of persons receiving assistance under chapter 249.

Sec. 2. Section 425.3, Code 1981, is amended by striking the section and inserting in lieu thereof the following:

425.3 VERIFICATION OF CLAIMS FOR HOMESTEAD CREDIT. The assessor shall retain a permanent file of current homestead claims filed in the assessor's office. The assessor shall file a notice of transfer of property for which a claim is filed when notice is received from the office of the county recorder.

The county recorder shall give notice to the assessor of each transfer of title filed in the recorder's office. The notice shall describe the property transferred, the name of the person transferring the title to the property, and the name of the person to whom title to the property has been transferred.

Not later than July 6 of each year, the assessor shall remit the statements and designation of homesteads to the county auditor with the assessor's recommendation for allowance or disallowance. If the assessor recommends disallowance of a claim, the assessor shall submit the reasons for the recommendation, in writing, to the county auditor.

The county auditor shall forward the claims to the board of supervisors. The board shall allow or disallow the claims. If the board disallows a claim, it shall send written notice, by certified mail, to the claimant at the claimant's last known address. The notice shall state the reasons for disallowing the claim for the credit.

Sec. 3. Section 425.6, Code 1981, is amended by striking the section and inserting in lieu thereof the following:

425.6 WAIVER BY NEGLECT. If a person fails to file a claim or to have a claim on file with the assessor for the credits provided in this chapter, the person is deemed to have waived the homestead credit for the year in which the person failed to file the claim or to have a claim on file with the assessor.

Sec. 4. Section 425.7, subsection 3, Code 1981, is amended to read as follows:

3. Should ~~if~~ the director of revenue ~~determine~~, upon investigation, determines that any claim for homestead credit has been allowed by any board of supervisors which is not justifiable under the law and not substantiated by proper facts, the director may, at any time within twenty-four months from July 1 of the year in which the claim is ~~filed~~ allowed, set aside ~~such~~ the allowance. Notice of ~~such~~ the disallowance shall be given to the county auditor of the county in which ~~such~~ the claim has been improperly granted and a written notice of ~~such~~ the disallowance shall also be addressed to the claimant at ~~his~~ the claimant's last known address. ~~Such~~ The claimant, or the board of supervisors, may seek judicial review of the action of the director of revenue in accordance with ~~the terms of~~ the Iowa administrative procedure Act. In any case where a claim is so disallowed by the director of revenue and ~~no~~ a petition for judicial review is not filed with respect to ~~such~~ the disallowance, any amounts of credits allowed and paid from the homestead credit fund ~~shall~~ including the penalty, if any, become a lien upon the property on which

~~said~~ credit was originally granted, if still in the hands of the claimant, and not in the hands of a bona fide purchaser, and any amount so erroneously paid including the penalty, if any, shall be collected by the county treasurer in the same manner as other taxes and ~~such~~ the collections shall be returned to the department of revenue and credited to the homestead credit fund. The director of revenue ~~shall also~~ have the authority to may institute legal proceedings against a homestead credit claimant for the collection of all payments made on ~~such~~ disallowed credits and the penalty, if any. If a homestead credit is disallowed and the claimant failed to give written notice to the assessor as required by section 425.2 when the property ceased to be used as a homestead by the claimant, a civil penalty equal to fifty percent of the amount of the disallowed credit is assessed against the claimant.

Sec. 5. Section 425.8, unnumbered paragraph 1, Code 1981, is amended to read as follows:

The director of revenue shall prescribe the form for the making of verified statement and designation of homestead, and the form for the supporting affidavits required herein, and such other forms as may be necessary for the proper administration of this chapter. ~~As soon as practicable after the effective date of this chapter, and from time to time thereafter as~~ Whenever necessary, the department of revenue shall forward to the county auditors of the several counties in the state ~~such~~ the prescribed sample forms, and the county auditors shall furnish blank forms prepared in accordance therewith with the assessment rolls, books, and supplies delivered to the assessors. The department of revenue shall prescribe and the county auditors shall provide on the forms for claiming the homestead credit a statement to the effect that the owner realizes that he or she must give written notice to the assessor when the owner changes the use of the property.

Sec. 6. Section 425.11, subsection 1, paragraph a, unnumbered subparagraph 1, Code 1981, is amended by striking the subparagraph and inserting in lieu thereof the following:

The homestead must embrace the dwelling house which the owner, in good faith, is occupying as a home on July 1 of the year for which the credit is claimed, except as herein provided.

Sec. 7. Section 426A.6, Code 1981, is amended to read as follows:

426A.6 SETTING ASIDE ALLOWANCE. ~~Should if~~ the director of revenue ~~determine, upon investigation, determines~~ that any claim for military service tax exemption has been allowed by any board of supervisors which is not justifiable under the law and not substantiated by proper facts, the director may, at any time within twenty-four months from July 1 of the year in which the claim is filed allowed, set aside such the allowance. Notice of such the disallowance shall be given to the county auditor of the county in which such the claim has been improperly granted and a written notice of such the disallowance shall also be addressed to the claimant at ~~his~~ the claimant's last known address. ~~Such The~~ claimant, or the board of supervisors, may seek judicial review of the action of the director of revenue in accordance with ~~the terms~~ of the Iowa administrative procedure Act. In any case, where a claim is so disallowed by the director of revenue and ~~no~~ a petition for judicial review is not filed with respect to such the disallowance, any amounts of credits allowed and paid from the military service tax credit fund ~~shall~~ become a lien upon the property on which ~~said the~~ credit was originally granted, if still in the hands of the claimant, and not in the hands of a bona fide purchaser, and any amount so erroneously paid shall be collected by the county treasurer in the same manner as other taxes and such the collections shall be returned to the department of revenue and credited to the military service tax credit fund. The director of

~~revenue shall also have the authority to~~ may institute legal proceedings against a military service tax exemption claimant for the collection of all payments made on ~~such~~ disallowed exemptions.

Sec. 8. Section 427.5, Code 1981, is amended by striking the section and inserting in lieu thereof the following:

427.5 CLAIM FOR MILITARY TAX EXEMPTION--DISCHARGE RECORDED. A person named in section 427.3, who is a resident of and domiciled in the state of Iowa, shall receive a reduction equal to the exemption, to be made from any property owned by the person and so designated by proceeding as hereafter provided. In order to be eligible to receive the exemption the person claiming it shall have had recorded in the office of the county recorder of the county in which is located the property designated for the exemption, the military certificate of satisfactory service, order transferring to inactive status, reserve, retirement, or order of separation from service, or honorable discharge of the person claiming or through whom is claimed the exemption. If the evidence of satisfactory service, separation, retirement, furlough to reserve, inactive status, or honorable discharge is lost the claimant may record in lieu thereof a certified copy.

The person shall file with the appropriate assessor on forms obtained from the assessor the claim for exemption for the year for which the person is first claiming the exemption. The claim shall be filed not later than July 1 of the year for which the person is claiming the exemption. The claim shall set out the fact that the person is a resident of and domiciled in the state of Iowa, and a person within the terms of section 427.3, and shall give the volume and page on which the certificate of satisfactory service, order of separation, retirement, furlough to reserve, inactive status, or honorable discharge or certified copy thereof is recorded in the office of the county recorder, and may include the designation of the property from which the exemption is to be made, and shall

further state that the claimant is the equitable and legal owner of the property designated.

Upon the filing and allowance of the claim, the claim shall be allowed to that person for successive years without further filing. Provided, that notwithstanding the filing or having on file a claim for exemption, the person or person's spouse is the legal or equitable owner of the property on July 1 of the year for which the claim is allowed. When the property is sold or transferred or the person wishes to designate different property for the exemption, a person who wishes to receive the exemption shall refile for the exemption. A person who sells or transfers property which is designated for the exemption or the personal representative of a deceased person who owned such property shall provide written notice to the assessor that the property is no longer legally or equitably owned by the former claimant.

In case the owner of the property is in active service in any of the armed forces of the United States or of this state, including the nurses corps of the state or of the United States, or is sixty-five years of age or older, or is disabled, the claim may be filed by any member of the owner's family, by the owner's guardian or conservator, or by any other person who may represent the owner under power of attorney. In all cases where the owner of the property is married, the spouse may file the claim for exemption. A person may not claim an exemption in more than one county of the state, and if a designation is not made the exemption shall apply to the homestead, if any.

Sec. 9. Section 427.6, unnumbered paragraph 1, Code 1981, is amended by striking the paragraph and inserting in lieu thereof the following:

The assessor shall retain a permanent file of current military service tax exemption claims filed in the assessor's office. The assessor shall file a notice of transfer of property for which a claim is filed when notice is received

from the office of the county recorder, from the person who sold or transferred the property, or from the personal representative of a deceased claimant.

The county recorder shall give notice to the assessor of each transfer of title filed in the recorder's office. The notice shall describe the property transferred, the name of the person transferring the title to the property, and the name of the person to whom title to the property has been transferred.

Not later than July 6 of each year, the assessor shall remit the claims and designations of property to the county auditor with the assessor's recommendation for allowance or disallowance. If the assessor recommends disallowance of a claim, the assessor shall submit the reasons for the recommendation, in writing, to the county auditor.

The county auditor shall forward the claims to the board of supervisors. The board shall allow or disallow the claims. If the board disallows a claim, it shall send written notice, by certified mail, to the claimant at the claimant's last known address. The notice shall state the reasons for disallowing the claim for the exemption.

Sec. 10. A claim for the homestead tax credit or the military service tax exemption for the fiscal year beginning on July 1 following the effective date of this Act shall not be allowed unless the claim for the homestead tax credit or the military service tax exemption is filed between January 1 and July 1 of the calendar year following enactment of this Act. Upon receipt of an application for a claim for homestead tax credit or military service tax exemption for the fiscal year beginning on July 1 following the effective date of this Act, the assessor shall provide written material as prescribed by the department of revenue on the requirements of the claimant under this Act and other information deemed by the department to be needed by the claimant in carrying out the claimant's responsibilities under this Act. The material

shall provide notice that the claimant or personal representative of the claimant will be subject to a civil penalty for failure to provide the assessor with written notice of the occurrence of certain events. These events shall be specified in the material presented to the claimant.

Sec. 11. This Act takes effect January 1 following its enactment.

DELWYN STROMER
Speaker of the House

TERRY E. BRANSTAD
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 844, Sixty-ninth General Assembly.

ELIZABETH A. ISAACSON
Chief Clerk of the House

Approved _____, 1982

ROBERT D. RAY
Governor