

House File 861
House File 861

Ways and Means
Rush, Chairperson
Lura
Ramsey

MAY 6 1981

HOUSE FILE 861

BY COMMITTEE ON WAYS AND MEANS

WAYS & MEANS CALENDAR

(Formerly Study Bill 333)

Passed House, Date 5-19-81 (p 2014) Passed Senate, Date 4-14-82 (p 1201)

Vote: Ayes 78 Nays 0 Vote: Ayes 47 Nays 0

Approved 5-19-82

Repassed House no amendment by Senate
4-21-82 (p 1626)
78-0

A BILL FOR

1 An Act to authorize a person who is confined in a hospital
2 or nursing care facility to qualify for claiming the
3 extraordinary property tax credit or reimbursement on
4 the person's homestead, with a January 1 effective date.

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

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1 Section 1. Section 425.17, subsection 4, Code 1981, is
2 amended to read as follows:

3 4. "Homestead" means the dwelling owned or rented and
4 actually used as a home by the claimant during all or part
5 of the base year, and so much of the land surrounding it
6 including one or more contiguous lots or tracts of land, as
7 is reasonably necessary for use of the dwelling as a home,
8 and may consist of a part of a multidwelling or multipurpose
9 building and a part of the land upon which it is built. It
10 does not include personal property except that a mobile home
11 may be a homestead. Any dwelling or a part of a multidwelling
12 or multipurpose building which is exempt from taxation does
13 not qualify as a homestead under this division. A homestead
14 must be located in this state. When a person is confined
15 in a nursing home, extended-care facility, or hospital, the
16 person shall be considered as occupying or living in the
17 person's homestead if the person is the owner of the homestead
18 and the person maintains the homestead and does not lease,
19 rent, or otherwise receive profits from other persons for
20 the use of the homestead.

21 Sec. 2. This Act takes effect January 1 following
22 enactment.

23 EXPLANATION

24 The bill provides that a person who is confined to a
25 hospital or nursing care facility and who continues to own
26 a homestead will be eligible to claim the additional homestead
27 tax credit on the homestead if the person does not lease or
28 rent the homestead or otherwise receive any profits from the
29 homestead. The provision is similar to the current law
30 governing the homestead tax credit. The bill takes effect
31 January 1 following enactment.

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SENATE AMENDMENT TO HOUSE FILE 861

H-5875

Amend House File 861 as passed by the House, as follows:

1. Page 1, by inserting after line 20 the following:

"Sec. ____ . Section 425.17, subsection 5, Code 1981, is amended to read as follows:

5. "Claimant" means a person filing a claim for credit or reimbursement under this division who has attained the age of sixty-five years on or before December 31 of the base year or who is a surviving spouse having attained the age of fifty-five years on or before December 31 of the base year, or who is totally disabled and was totally disabled on or before December 31 of the base year, and was domiciled in this state during the entire base year and is domiciled in this state at the time the claim is filed or at the time of the person's death in the case of a claim filed by the executor or administrator of the claimant's estate. "Claimant" includes a vendee in possession under a contract for deed and may include one or more joint tenants or tenants in common. In the case of a claim for rent constituting property taxes paid, the claimant shall have rented the property during any part of the base year. If a homestead is occupied by two or more persons, and more than one person is able to qualify as a claimant, the persons may determine among them who will be the claimant. If they are unable to agree, the matter shall be referred to the director of revenue not later than October 31 of each year and the director's decision shall be final.

Sec. ____ . Section 425.18, Code 1981, is amended to read as follows:

425.18 CLAIM-IS-PERSONAL RIGHT TO FILE A CLAIM. The right to file a claim for credit under this division ~~shall be~~ is personal to the claimant and ~~shall~~ does not survive the claimant's death, but the right may be exercised on behalf of a claimant by ~~his or her~~ the claimant's legal guardian, spouse or attorney. The right to file a claim for reimbursement under this division may be exercised by the claimant or on behalf of a claimant by the claimant's legal guardian, spouse, or attorney, or by the executor or administrator of the claimant's estate. If a claimant dies after having filed a claim for reimbursement for rent constituting property taxes paid, the amount of the reimbursement may be paid to another member of the household as determined by the director. If the claimant was the only member of the household, the reimbursement may be paid to

H-5875
Page Two

- 1 the claimant's executor or administrator, but if
- 2 neither is appointed and qualified within one year
- 3 from the date of the filing of the claim, the
- 4 reimbursement shall escheat to the state. If a
- 5 claimant dies after having filed a claim for credit
- 6 for property taxes due, the amount of credit shall
- 7 be paid as if the claimant had not died."
- 8 2. Title page, line 2, by inserting after the
- 9 word "claiming" the words "and authorize an executor
- 10 or administrator of an estate to file a claim for".
- 11 3. By numbering and renumbering as necessary.

H-5875 FILED APRIL 19, 1982

RECEIVED FROM THE SENATE
House concurred 4/21 (p. 16.20)

861

1 Amend House File 861 as passed by the House, as
2 follows:

3 1. Page 1, by inserting after line 20 the
4 following:

5 "Sec. ____ Section 425.17, subsection 5, Code 1981,
6 is amended to read as follows:

7 5. "Claimant" means a person filing a claim for
8 credit or reimbursement under this division who has
9 attained the age of sixty-five years on or before
10 December 31 of the base year or who is a surviving
11 spouse having attained the age of fifty-five years
12 on or before December 31 of the base year, or who
13 is totally disabled and was totally disabled on or
14 before December 31 of the base year, and was domiciled
15 in this state during the entire base year and is
16 domiciled in this state at the time the claim is filed
17 or at the time of the person's death in the case of
18 a claim filed by the executor or administrator of
19 the claimant's estate. "Claimant" includes a vendee
20 in possession under a contract for deed and may include
21 one or more joint tenants or tenants in common. In
22 the case of a claim for rent constituting property
23 taxes paid, the claimant shall have rented the property
24 during any part of the base year. If a homestead
25 is occupied by two or more persons, and more than
26 one person is able to qualify as a claimant, the
27 persons may determine among them who will be the
28 claimant. If they are unable to agree, the matter
29 shall be referred to the director of revenue not later
30 than October 31 of each year and the director's
31 decision shall be final.

32 Sec. ____ Section 425.18, Code 1981, is amended
33 to read as follows:

34 425.18 ~~CLAIM-IS-PERSONAL~~ RIGHT TO FILE A CLAIM.
35 The right to file a claim for credit under this
36 division ~~shall be~~ is personal to the claimant and
37 ~~shall~~ does not survive the claimant's death, but the
38 right may be exercised on behalf of a claimant by
39 ~~his-or-her~~ the claimant's legal guardian, spouse or
40 attorney. The right to file a claim for reimbursement
41 under this division may be exercised by the claimant
42 or on behalf of a claimant by the claimant's legal
43 guardian, spouse, or attorney, or by the executor
44 or administrator of the claimant's estate. If a
45 claimant dies after having filed a claim for
46 reimbursement for rent constituting property taxes
47 paid, the amount of the reimbursement may be paid
48 to another member of the household as determined by
49 the director. If the claimant was the only member
50 of the household, the reimbursement may be paid to

- 1 the claimant's executor or administrator, but if
2 neither is appointed and qualified within one year
3 from the date of the filing of the claim, the
4 reimbursement shall escheat to the state. If a
5 claimant dies after having filed a claim for credit
6 for property taxes due, the amount of credit shall
7 be paid as if the claimant had not died."
8 2. Title page, line 2, by inserting after the
9 word "claiming" the words "and authorize an executor
10 or administrator of an estate to file a claim for".
11 3. By numbering and renumbering as necessary.

S-5381 FILED
MARCH 25, 1982

Adopted 4/14 (p. 1201)

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

HOUSE FILE 861
FISCAL NOTE

REQUESTED BY SENATOR CRAFT

In compliance with a written request there is hereby submitted a Fiscal Note for House File 861 as amended by S-5381 pursuant to Joint Rule 16.

Amendment 5381-S to H.F. 861 allows the executor or administrator of a claimant's estate to file a claim on behalf of the claimant for reimbursement for rent constituting property taxes paid. Present law provides that such a claim is personal and does not survive the claimant's death. This amendment takes effect the same time as does H.F. 861, January 1 following enactment.

The impact of amendment 5381-S would be a very minimal increase in state expenditures.

SOURCE: DEPT. OF REVENUE

RECEIVED BY THE SECRETARY OF THE SENATE, APRIL 14, 1982

FILED:

BY GERRY RANKIN, FISCAL DIRECTOR

APRIL 16, 1982

FISCAL NOTE

House File 861

Requested by Representative Schnekloth
May 6, 1981

In compliance with a written request there is hereby submitted a Fiscal Note for H. F. 861 pursuant to Joint Rule 16.

LSB 2047H provides that an individual who is confined to a hospital or nursing care facility and continues to own a homestead will be eligible to claim the additional homestead tax credit (the elderly and disabled tax credit) on the homestead if the person does not lease, rent or otherwise receive any profit from the homestead.

The bill will result in an increase in the number of persons eligible for the credit. No estimate of the additional state cost is available.

FILED MAY 7, 1981

BY GERRY D. RANKIN

Legislative Fiscal Bureau

HOUSE FILE 861

AN ACT

TO AUTHORIZE A PERSON WHO IS CONFINED IN A HOSPITAL OR NURSING CARE FACILITY TO QUALIFY FOR CLAIMING AND AUTHORIZE AN EXECUTOR OR ADMINISTRATOR OF AN ESTATE TO FILE A CLAIM FOR THE EXTRAORDINARY PROPERTY TAX CREDIT OR REIMBURSEMENT ON THE PERSON'S HOMESTEAD, WITH A JANUARY 1 EFFECTIVE DATE.

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

Section 1. Section 425.17, subsection 4, Code 1981, is amended to read as follows:

4. "Homestead" means the dwelling owned or rented and actually used as a home by the claimant during all or part of the base year, and so much of the land surrounding it including one or more contiguous lots or tracts of land, as is reasonably necessary for use of the dwelling as a home, and may consist of a part of a multidwelling or multipurpose building and a part of the land upon which it is built. It does not include personal property except that a mobile home may be a homestead. Any dwelling or a part of a multidwelling or multipurpose building which is exempt from taxation does not qualify as a homestead under this division. A homestead must be located in this state. When a person is confined in a nursing home, extended-care facility, or hospital, the person shall be considered as occupying or living in the person's homestead if the person is the owner of the homestead and the person maintains the homestead and does not lease, rent, or otherwise receive profits from other persons for the use of the homestead.

Sec. 2. Section 425.17, subsection 5, Code 1981, is amended to read as follows:

5. "Claimant" means a person filing a claim for credit or reimbursement under this division who has attained the age of sixty-five years on or before December 31 of the base year or who is a surviving spouse having attained the age of fifty-five years on or before December 31 of the base year, or who is totally disabled and was totally disabled on or before December 31 of the base year, and was domiciled in this state during the entire base year and is domiciled in this state at the time the claim is filed or at the time of the person's death in the case of a claim filed by the executor or administrator of the claimant's estate. "Claimant" includes a vendee in possession under a contract for deed and may include one or more joint tenants or tenants in common. In the case of a claim for rent constituting property taxes paid, the claimant shall have rented the property during any part of the base year. If a homestead is occupied by two or more persons, and more than one person is able to qualify as a claimant, the persons may determine among them who will be the claimant. If they are unable to agree, the matter shall be referred to the director of revenue not later than October 31 of each year and the director's decision shall be final.

Sec. 3. Section 425.18, Code 1981, is amended to read as follows:

425.18 ~~CLAIM-18-PERSONAL~~ RIGHT TO FILE A CLAIM. The right to file a claim for credit under this division ~~shall be~~ is personal to the claimant and ~~shall~~ does not survive the claimant's death, but the right may be exercised on behalf of a claimant by ~~his-or-her~~ the claimant's legal guardian, spouse or attorney. The right to file a claim for reimbursement under this division may be exercised by the claimant or on behalf of a claimant by the claimant's legal guardian, spouse, or attorney, or by the executor or administrator of the claimant's estate. If a claimant dies after having filed a claim for reimbursement for rent constituting property taxes paid, the amount of the

reimbursement may be paid to another member of the household as determined by the director. If the claimant was the only member of the household, the reimbursement may be paid to the claimant's executor or administrator, but if neither is appointed and qualified within one year from the date of the filing of the claim, the reimbursement shall escheat to the state. If a claimant dies after having filed a claim for credit for property taxes due, the amount of credit shall be paid as if the claimant had not died.

Sec. 4. This Act takes effect January 1 following 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 861, Sixty-ninth General Assembly.

ELIZABETH A. ISAACSON
Chief Clerk of the House

Approved 5/19, 1982

ROBERT D. RAY
Governor