

MAR 1 1990

HOUSE FILE 2549

BY COMMITTEE ON

WAYS & MEANS CALENDAR

WAYS AND MEANS

(SUCCESSOR TO HF 2031)

Passed House, Date 3/5/90 (p. 944) Passed Senate, Date 3/19/90 (p. 1184)

Vote: Ayes 95 Nays 1 Vote: Ayes 44 Nays 1

Approved March 27, 1990

A BILL FOR

1 An Act relating to the length of occupancy of the homestead for
2 purposes of the homestead credit and providing a retroactive
3 applicability date.

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

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HF 2549

1 Section 1. Section 425.2, unnumbered paragraph 2, Code
2 Supplement 1989, is amended to read as follows:

3 Upon the filing and allowance of the claim, the claim shall
4 be allowed on that homestead for successive years without
5 further filing as long as the property is legally or equitably
6 owned and used as a homestead by that person or that person's
7 spouse on July 1 of each of those successive years, and the
8 owner of the property being claimed as a homestead declares
9 residency in Iowa for purposes of income taxation, and the
10 property is occupied by the that person or that person's
11 spouse for at least six months in each of those years calendar
12 years in which the tax year begins. When the property is sold
13 or transferred, the buyer or transferee who wishes to qualify
14 shall refile for the credit. However, when the property is
15 transferred as part of a distribution made pursuant to chapter
16 598, the transferee who is the spouse retaining ownership of
17 the property is not required to refile for the credit.
18 Property divided pursuant to chapter 598 ~~cannot~~ shall not be
19 modified following the division of the property. An owner who
20 ceases to use a property for a homestead or intends not to use
21 it as a homestead for at least six months in a ~~fiscal-year~~
22 calendar year shall provide written notice to the assessor by
23 July 1 following the date on which the use is changed. A
24 person who sells or transfers a homestead or the personal
25 representative of a deceased person who had a homestead at the
26 time of death, shall provide written notice to the assessor
27 that the property is no longer the homestead of the former
28 claimant.

29 Sec. 2. Section 425.11, subsection 1, paragraph a,
30 unnumbered paragraph 1, Code Supplement 1989, is amended to
31 read as follows:

32 The homestead must ~~embrace~~ include the dwelling house which
33 the owner, in good faith, is occupying as a home on July 1 of
34 the year for which the credit is claimed and occupies as a
35 home for at least six months during ~~that-year~~ the calendar

1 year in which the tax year begins, except as herein otherwise
2 provided.

3 Sec. 3.

4 This Act applies retroactively to January 1, 1990, for
5 homestead credits allowed for fiscal years beginning on or
6 after January 1, 1990.

7 EXPLANATION

8 This bill provides that a claim for homestead credit shall
9 be allowed in successive years without further filing as long
10 as the person has occupied the homestead for at least six
11 months in a calendar year.

12 The bill applies retroactively to January 1, 1990.

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HOUSE FILE 2549

AN ACT

RELATING TO THE LENGTH OF OCCUPANCY OF THE HOMESTEAD FOR PURPOSES OF THE HOMESTEAD CREDIT AND PROVIDING A RETROACTIVE APPLICABILITY DATE.

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

Section 1. Section 425.2, unnumbered paragraph 2, Code Supplement 1989, is amended to read as follows:

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, and the owner of the property being claimed as a homestead declares residency in Iowa for purposes of income taxation, and the property is occupied by the that person or that person's spouse for at least six months in each of those years calendar years in which the tax year begins. When the property is sold or transferred, the buyer or transferee who wishes to qualify shall refile for the credit. However, when the property is transferred as part of a distribution made pursuant to chapter 598, the transferee who is the spouse retaining ownership of the property is not required to refile for the credit. Property divided pursuant to chapter 598 cannot shall not be modified following the division of the property. An owner who ceases to use a property for a homestead or intends not to use it as a homestead for at least six months in a fiscal-year calendar year 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.

Sec. 2. Section 425.11, subsection 1, paragraph a, unnumbered paragraph 1, Code Supplement 1989, is amended to read as follows:

The homestead must embrace include 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 and occupies as a home for at least six months during that-year the calendar year in which the tax year begins, except as herein otherwise provided.

Sec. 3.

This Act applies retroactively to January 1, 1990, for homestead credits allowed for fiscal years beginning on or after January 1, 1990.

DONALD D. AVENSON
Speaker of the House

JO ANN ZIMMERMAN
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2549, Seventy-third General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved March 27, 1990

TERRY E. BRANSTAD
Governor