

APR 26 1989

HOUSE FILE 771
BY COMMITTEE ON WAYS AND MEANS

WAYS & MEANS COMMITTEE

DO PASS
Gen. Ways & Means
DO PASS 5-4-89 (p.1911)

(SUCCESSOR TO HF 286)

Passed House, Date 4-27-89 (p.2073) Passed Senate, Date 5-4-89 (p.1928)
Vote: Ayes 94 Nays 1 Vote: Ayes 41 Nays 4
Approved May 26 1989

A BILL FOR

1 An Act relating to eligibility for reimbursement for rent
2 constituting property tax paid and providing for a retroactive
3 applicability date.

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

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

1 Section 1. Section 425.17, subsection 4, Code 1989, 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 of
5 the base year, and so much of the land surrounding it
6 including one or more contiguous lots or tracts of land, as is
7 reasonably necessary for use of the dwelling as a home, and
8 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. However,
14 solely for purposes of claimants living in a property and
15 receiving reimbursement for rent constituting property taxes
16 paid immediately before the property becomes tax exempt, and
17 continuing to live in it after it becomes tax exempt, the
18 property shall continue to be classified as a homestead. A
19 homestead must be located in this state. When a person is
20 confined in a nursing home, extended-care facility, or
21 hospital, the person shall be considered as occupying or
22 living in the person's homestead if the person is the owner of
23 the homestead and the person maintains the homestead and does
24 not lease, rent, or otherwise receive profits from other
25 persons for the use of the homestead.

26 Sec. 2. This Act applies retroactively to January 1, 1988.

27 EXPLANATION

28 This bill provides continued eligibility for reimbursement
29 for rent constituting property taxes paid for persons
30 receiving the reimbursement when their dwelling becomes exempt
31 from taxation and no longer qualifies as a homestead.
32 Currently, the law disqualifies a dwelling which is exempt
33 from taxation as a homestead and a tenant is not qualified for
34 the reimbursement. The bill applies retroactively to January
35 1, 1988.

HOUSE FILE 771

AN ACT
RELATING TO ELIGIBILITY FOR REIMBURSEMENT FOR RENT CONSTITUTING
PROPERTY TAX PAID AND PROVIDING FOR A RETROACTIVE APPLICABILITY DATE

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

Section 1. Section 425.17, subsection 4, Code 1989, 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. However, solely for purposes of claimants living in a property and receiving reimbursement for rent constituting property taxes paid immediately before the property becomes tax exempt, and continuing to live in it after it becomes tax exempt, the property shall continue to be classified as a homestead. 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. This Act applies retroactively to January 1, 1988.

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 771, Seventy-third General Assembly

Approved May 26, 1989

JOSEPH O'HERN
Chief Clerk of the House

TERRY E. BRANSTAD
Governor