

(P. 1142) 4/11/94 Senate - W. + M.
(P. 1156) 4/12/94 Senate - Do Pass

MAR 14 1994
WAYS & MEANS CALENDAR

HOUSE FILE 2413
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 2168)

Passed House, (P. 1347) Date 4-8-94 Passed Senate, (P. 1179) Date 4-13-94
Vote: Ayes 95 Nays 0 Vote: Ayes 45 Nays 0
Approved May 2, 1994

A BILL FOR

1 An Act relating to the filing of a disclaimer of the homestead
2 credit and the filing of a belated claim for the homestead
3 credit.

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

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HF 2413

1 Section 1. Section 425.2, unnumbered paragraph 2, Code
2 1993, 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 that person or that person's spouse
11 for at least six months in each of those calendar years in
12 which the fiscal year begins. When the property is sold or
13 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 shall not be modified
19 following the division of the property. An owner who ceases
20 to use a property for a homestead or intends not to use it as
21 a homestead for at least six months in a calendar year shall
22 provide written notice to the assessor by July 1 following the
23 date on which the use is changed. If the written notice is
24 not provided to the assessor by the appropriate July 1, the
25 owner forfeits the right to file a belated claim on another
26 homestead for the year the notice should have been given. A
27 person who sells or transfers a homestead or the personal
28 representative of a deceased person who had a homestead at the
29 time of death, shall provide written notice to the assessor
30 that the property is no longer the homestead of the former
31 claimant.

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EXPLANATION

33 The bill provides that when an owner of property for which
34 a homestead credit is allowed fails to notify by July 1 of a
35 year for which the credit will apply that the person no longer

1 qualifies for the credit, the owner forfeits the right to file
2 a belated claim on another homestead for that same year.

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HOUSE FILE 2413

5525

Amend House File 2413 as follows:

1. Page 1, by inserting before line 1 the following:

"Section 1. NEW SECTION. 422.11 HOMESTEAD CREDIT.

1. The taxes imposed under this division, less the credits allowed under sections 422.11A, 422.11B, 422.11C, 422.12, and 422.12B shall be reduced by a homestead credit equal to the amount of property taxes levied on the first four thousand eight hundred fifty dollars of the taxpayer's homestead, as defined in section 425.11 which the taxpayer has paid. Not more than one credit under this section may be claimed for the same dwelling. In determining if the property tax has been paid, any installment payment of property taxes shall be considered as being paid towards the taxes on the first four thousand eight hundred dollars.

2. Any credit in excess of the tax liability shall be refunded. In lieu of claiming a refund, a taxpayer may elect to have the overpayment shown on the taxpayer's final, completed return credited to the tax liability for the following taxable year."

2. Page 1, line 1, by striking the word and figure "Section 1." and inserting the following: "Sec. 2."

3. Page 1, by inserting after line 31 the following:

"Sec. 3. Sections 425.1 through 425.10, Code 1993, are repealed.

Sec. 4. APPLICABILITY DATES.

1. Section 1 of this Act applies to tax years beginning on or after January 1, 1995.

2. Section 3 of this Act applies to property taxes due and payable on or after July 1, 1995."

4. Title page, line 3, by inserting after the word "credit" the following: ", making the homestead property tax credit a homestead income tax credit and providing applicability dates".

By KREIMAN of Davis

H-5525 FILED MARCH 18, 1994

*Not Sermon
Motion to suspend lost 4/8/94
(p. 1346)*

HOUSE FILE 2413

AN ACT

RELATING TO THE FILING OF A DISCLAIMER OF THE HOMESTEAD CREDIT AND THE FILING OF A RELATED CLAIM FOR THE HOMESTEAD CREDIT.

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

Section 1. Section 425.2, unnumbered paragraph 2, Code 1991, 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 that person or that person's spouse for at least six months in each of those calendar years in which the fiscal 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 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 calendar year shall provide written notice to the assessor by July 1 following the date on which the use is changed. If the written notice is not provided to the assessor by the appropriate July 1, the owner forfeits the right to file a related claim on another homestead for the year the notice should have been given. 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.

HAROLD VAN MAANEN
Speaker of the House

LEONARD L. BOSWELL
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2413, Seventy-fifth General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved May 2, 1994

TERRY E. BRANSTAD
Governor