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SENATE FILE 2133 BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 2102) Passed House, Date 4/12/94 Passed Senate, Date 3/7/94 Vote: Ayes <u>95</u> Nays <u>0</u> Vote: Ayes <u>47</u> Nays <u>O</u> Approved april 8, 1994 A BILL

1 An Act relating to rent reimbursement claims for low-income persons and providing an effective and applicability date 2 provision. 3 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 24 TLSB 4028SV 75



S.F. 2/33

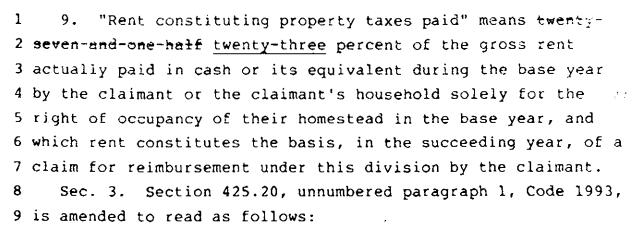
S.F. 2/33 H.F.

Section 1. Section 425.17, subsection 2, paragraph b,
unnumbered paragraph 2, Code Supplement 1993, is amended to
read as follows:

"Claimant" under paragraph "a" or "b" includes a vendee in 4 5 possession under a contract for deed and may include one or 6 more joint tenants or tenants in common. In the case of a 7 claim for rent constituting property taxes paid, the claimant 8 shall have rented the property during any part of the base 9 year. If a homestead is occupied by two or more persons, and 10 more than one person is able to qualify as a claimant, the 11 persons may determine among them who will be the claimant. If 12 they are unable to agree, the matter shall be referred to the 13 director of revenue and finance not later than October-31 June 14 1 of each year and the director's decision is final. 15 Sec. 2. Section 425.17, subsections 3 and 9, Code 16 Supplement 1993, are amended to read as follows: "Gross rent" means rental paid at arm's length solely 17 3. 18 for the right of occupancy of a homestead or mobile home, 19 including rent for space occupied by a mobile home not to 20 exceed one acre-rexelusive-of-charges-for-any-utilities, 21 services;-furniture;-furnishings;-or-personal-property 22 appliances-furnished-by-the-landlord-as-a-part-of-the-rental 23 agreement-whether-or-not-expressly-set-out-in-the-rental 24 agreement. If the director of revenue and finance determines 25 that the landlord and tenant have not dealt with each other at 26 arm's length, and the director of revenue and finance is 27 satisfied that the gross rent charged was excessive, the 28 director shall adjust the gross rent to a reasonable amount as 29 determined by the director. If-the-landlord-does-not-supply 30 the-charges-for-any-utilities;-services;-furniture; 31 furnishings;-or-personal-property-appliances-furnished-by-the 32 landlord; or if the charges appear to be incorrect; the 33 director-of-revenue-and-finance-may-apply-a-percentage 34 determined-from-samples-of-similar-gross-rents-paid-solely-for 35 the-right-of-occupancy-

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10 A claim for reimbursement for rent constituting property 11 taxes paid shall not be paid or allowed, unless the claim is 12 actually filed with and in the possession of the department of 13 revenue and finance on or before October-31 June 1 of the year 14 following the base year.

Sec. 4. Section 425.26, subsection 2, Code 1993, is 15 16 amended to read as follows:

Property taxes due or rent constituting property taxes 17 2. 18 paid, including the portion of gross-rent-paid-for-providing 19 utilities,-services,-furniture,-furnishings,-and-personal 20 property-appliances, and the name and address of the owner or 21 manager of the property rented and a statement whether the 22 claimant is related by blood, marriage, or adoption to the 23 owner or manager of the property rented;

24 Sec. 5. This Act takes effect January 1, 1995, for rent 25 reimbursement claims filed on or after that date. 26

EXPLANATION

27 The bill removes the requirement that the low-income 28 claimant for reimbursement of rent constituting property taxes 29 exclude from gross rent charges for utilities, services and 30 furnishings that are included in the claimant's rental payment 31 and reduces the rent constituting property taxes paid 32 percentage from 27.5 percent to 23 percent. It also changes 33 the filing deadline from October 31 to June 1 to make it 34 consistent with the deadline for property tax credit claims. The bill is effective January 1, 1995, for rent 35

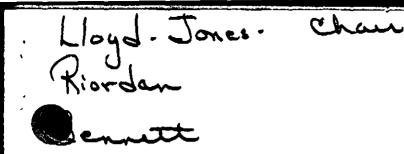




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S.F. 2133 H.F.

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SENATE FILE <u>2133</u> BY (PROPOSED COMMITTEE ON WAYS AND MEANS BILL BY CHAIRPERSON DIELEMAN)

558- 2102 Ways + Meana

Passed	Senate,	Date	Passed	House,	Date	
Vote:	Ayes	Nays	Vote:	Ayes	Nays	
	Ar	pproved			_	

A BILL FOR

1 An Act relating to rent reimbursement claims for low-income persons and providing an effective and applicability date provision. 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 4028SC 75 mg/jj/8



S.F. <u>H.F.</u>

Section 1. Section 425.17, subsection 2, paragraph b, 2 unnumbered paragraph 2, Code Supplement 1993, is amended to 3 read as follows:

"Claimant" under paragraph "a" or "b" includes a vendee in 4 5 possession under a contract for deed and may include one or 6 more joint tenants or tenants in common. In the case of a 7 claim for rent constituting property taxes paid, the claimant 8 shall have rented the property during any part of the base 9 year. If a homestead is occupied by two or more persons, and 10 more than one person is able to qualify as a claimant, the 11 persons may determine among them who will be the claimant. If 12 they are unable to agree, the matter shall be referred to the 13 director of revenue and finance not later than October-31 June 14 1 of each year and the director's decision is final. 15 Sec. 2. Section 425.17, subsections 3 and 9, Code 16 Supplement 1993, are amended to read as follows: 17 3. "Gross rent" means rental paid at arm's length solely 18 for the right of occupancy of a homestead or mobile home, 19 including rent for space occupied by a mobile home not to 20 exceed one acre7-exclusive-of-charges-for-any-utilities7 21 services,-furniture,-furnishings,-or-personal-property 22 appliances-furnished-by-the-landlord-as-a-part-of-the-rental 23 agreement-whether-or-not-expressly-set-out-in-the-rental 24 agreement. If the director of revenue and finance determines 25 that the landlord and tenant have not dealt with each other at 26 arm's length, and the director of revenue and finance is 27 satisfied that the gross rent charged was excessive, the 28 director shall adjust the gross rent to a reasonable amount as 29 determined by the director. If-the-landlord-does-not-supply

30 the-charges-for-any-utilities;-services;-furniture;

31 furnishings-or-personal-property-appliances-furnished-by-the

32 landlord;-or-if-the-charges-appear-to-be-incorrect;-the

33 director-of-revenue-and-finance-may-apply-a-percentage

34 determined-from-samples-of-similar-gross-rents-paid-solely-for

35 the-right-of-occupancy-

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S.F. _____ H.F. ____

9. "Rent constituting property taxes paid" means twentyseven-and-one-half twenty-three percent of the gross rent actually paid in cash or its equivalent during the base year by the claimant or the claimant's household solely for the right of occupancy of their homestead in the base year, and which rent constitutes the basis, in the succeeding year, of a claim for reimbursement under this division by the claimant. Sec. 3. Section 425.20, unnumbered paragraph 1, Code 1993, 9 is amended to read as follows:

10 A claim for reimbursement for rent constituting property 11 taxes paid shall not be paid or allowed, unless the claim is 12 actually filed with and in the possession of the department of 13 revenue and finance on or before October-3t June 1 of the year 14 following the base year.

15 Sec. 4. Section 425.26, subsection 2, Code 1993, is 16 amended to read as follows:

17 2. Property taxes due or rent constituting property taxes 18 paid, including the-portion-of-gross-rent-paid-for-providing 19 utilities;-services;-furniture;-furnishings;-and-personal 20 property-appliances;-and the name and address of the owner or 21 manager of the property rented and a statement whether the 22 claimant is related by blood, marriage, or adoption to the 23 owner or manager of the property rented;

24 Sec. 5. This Act takes effect January 1, 1995, for rent 25 reimbursement claims filed on or after that date. 26 EXPLANATION

The bill removes the requirement that the low-income claimant for reimbursement of rent constituting property taxes exclude from gross rent charges for utilities, services and furnishings that are included in the claimant's rental payment and reduces the rent constituting property taxes paid percentage from 27.5 percent to 23 percent. It also changes the filing deadline from October 31 to June 1 to make it consistent with the deadline for property tax credit claims. The bill is effective January 1, 1995, for rent



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LSB 4028SC 75 mg/jj/8

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SENATE FILE 2133

AN ACT RELATING TO RENT REIMBURSEMENT CLAIMS FOR LOW-INCOME PERSONS AND PROVIDING AN EFPECTIVE AND APPLICABILITY DATE PROVISION.

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

Section 1. Section 425.17, subsection 2, paragraph b, unnumbered paragraph 2, Code Supplement 1993, is amended to read as follows:

"Claimant" under paragraph "a" or "b" 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 and finance not later than Getober-33 June 1 of each year and the director's decision is final.

Sec. 2. Section 425.17, subsections 3 and 9, Code Supplement 1993, are amended to read as follows:

3. "Gross rent" means rental paid at arm's length solely for the right of occupancy of a homestead or mobile home, including rent for space occupied by a mobile home not to exceed one acrez-exclusive-of-charges-tor-any-attitutesz servicesz-furniturez-furnishingsz-or-personal-property appliances-furnished-by-the-landlord-as-a-part-of-the-rental agreement-whether-or-not-expressly-set-out-in-the-rental agreement. If the director of revenue and finance determines that the landlord and tenant have not dealt with each other at arm's length, and the director of revenue and finance is satisfied that the gross rent charged was excessive, the director shall adjust the gross rent to a reasonable amount as determined by the director. If-the-landlord-does-not-supply the-charges-for-any-utilities-services-furniturer furnishings-or-personal-property-appliances-furnished-by-the landlord-or-if-the-charges-appear-to-be-incorrecty-the director-of-revenue-and-finance-may-apply-a-percentage determined-from-samples-of-similar-gross-rents-paid-solely-for the-right-of-occupancy:

9. "Rent constituting property taxes paid" means twentyseven-and-one-half <u>twenty-three</u> percent of the gross rent actually paid in cash or its equivalent during the base year by the claimant or the claimant's household solely for the right of occupancy of their homestead in the base year, and which rent constitutes the basis, in the succeeding year, of a claim for reimbursement under this division by the claimant.

Sec. 3. Section 425.20, unnumbered paragraph 1, Code 1993, is amended to read as follows:

A claim for reimbursement for rent constituting property taxes paid shall not be paid or allowed, unless the claim is actually filed with and in the possession of the department of revenue and finance on or before October-33 June 1 of the year following the base year.

Sec. 4. Section 425.26, subsection 2, Code 1993, is amended to read as follows:

2. Property taxes due or rent constituting property taxes paid, including the portion of gross-rent-paid-for-providing ntilities;-services;-furniture;-furnishings;-and-personal property-appliances;-and the name and address of the owner or manager of the property rented and a statement whether the

Senate File 2133, p. 3

claimant is related by blood, marriage, or adoption to the owner or manager of the property rented;

Sec. 5. This Act takes effect January 1, 1995, for rent reimbursement claims filed on or after that date.

LEONARD L. BOSWELL President of the Senate

HAROLD VAN MAANEN Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2133, Seventy-fifth General Assembly.

JOHN F. DWYER Approved (1ptil 28, 1994 Secretary of the Senate

TERRY E. BRANSTAD Governor