

*Substituted by
SF 223 4-4-95
(P. 1196)*

WITHDRAWN

MAR 10 1995

HOUSE FILE 367

BY COMMITTEE ON HUMAN RESOURCES

Place On Calendar

(SUCCESSOR TO HSB 96)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing for notification of certain persons receiving
2 public assistance of tax suspension provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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HF 367

WITHDRAWN

1 Section 1. Section 427.9, Code 1995, is amended to read as
2 follows:

3 427.9 SUSPENSION OF TAXES, ASSESSMENTS, AND RATES OR
4 CHARGES, INCLUDING INTEREST, FEES, AND COSTS.

5 If a person is a recipient of federal supplementary
6 security income or state supplementary assistance, as defined
7 in section 249.1, or is a resident of a health care facility,
8 as defined by section 135C.1, which is receiving payment from
9 the department of human services for the person's care, the
10 person shall be deemed to be unable to contribute to the
11 public revenue. The director of human services shall notify
12 ~~the board of supervisors of the county in which the assisted~~
13 ~~person owns parcels, as defined in section 445.17, of the fact,~~
14 giving a statement of a person receiving such assistance of
15 the tax suspension provision and shall provide the person with
16 evidence to present to the appropriate county board of
17 supervisors which shows the person's eligibility for tax
18 suspension on parcels owned, possessed, or upon which the
19 person is paying taxes as a purchaser under contract. The
20 board of supervisors so notified, without the filing of a
21 petition and statement as specified in section 427.8, shall
22 order the county treasurer to suspend the collection of all
23 the taxes, special assessments, and rates or charges,
24 including interest, fees, and costs, assessed against the
25 parcels and remaining unpaid by the person or contractually
26 payable by the person, for such time as the person remains the
27 owner or contractually prospective owner of the parcels, and
28 during the period the person receives assistance as described
29 in this section. The director of human services shall advise
30 the person that the person may apply for an additional
31 property tax credit pursuant to sections 425.16 to 425.39
32 which shall be credited against the amount of the taxes
33 suspended.

34 EXPLANATION

35 This bill removes the requirement that the department of

1 human services notify the appropriate county boards of
2 supervisors to suspend taxes when a landowner or a person
3 purchasing land under contract in the county receives state
4 payment for care either as a recipient of supplemental
5 security income or state supplementary assistance, or as a
6 resident of a health care facility. Under the bill the
7 recipient of state payment for care is now responsible for
8 notification of the board of supervisors.

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HS B 96

Boddicker, Chr
Hurley
Harrison
Brand
Fallon

HUMAN RESOURCES
OFFICE

SENATE/HOUSE FILE 7
BY (PROPOSED DEPARTMENT OF
HUMAN SERVICES BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

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EXPLANATION

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1 human services notify the appropriate county boards of
2 supervisors to suspend taxes when a landowner or a person
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5 security income or state supplementary assistance, or as a
6 resident of a health care facility. Under the bill the
7 recipient of state payment for care is now responsible for
8 notification of the board of supervisors.

9 BACKGROUND STATEMENT

10 SUBMITTED BY THE AGENCY

11 Currently the department of human services (DHS) is respon-
12 sible for notifying the county board of supervisors in a
13 county in which a client owns property and receives either
14 supplemental security income (SSI) or state supplementary
15 assistance (SSA) or is a resident of a health care facility
16 and the state is paying for care so that taxes can be
17 suspended. Several problems exist for the department in
18 complying with this requirement. Due to federal regulations
19 on confidentiality, the DHS cannot automatically forward names
20 of property owners who receive the above listed benefits to
21 the counties. Also, because SSI eligibility is determined by
22 SSA, financial information is not readily available to the DHS
23 to determine if the recipient owns property and its location.

24 To comply with both the Iowa Code on tax suspension and
25 with federal regulations on confidentiality, the income
26 maintenance worker is required to send out a notice to the
27 client about tax suspension. The client is to indicate on
28 this form if they own property on which taxes can be
29 suspended, location of the property, and if they want their
30 taxes suspended. The income maintenance worker forwards the
31 notice to the appropriate county board of supervisors. If the
32 client later becomes ineligible for any of the above listed
33 benefits, the income maintenance worker must then send notice
34 to the appropriate county board of supervisors to terminate
35 the suspension of taxes.

1 As this is not a federally mandated procedure and as it is
2 not a condition of eligibility for the programs administered
3 by DHS, the requirement should be changed so that DHS will
4 provide the information to all recipients about this
5 provision, but it shall be the client's responsibility to
6 contact the county to have taxes suspended. The counties
7 would have to determine the method by which they would
8 determine when tax suspensions should be lifted. The
9 enactment of this bill would reduce DHS worker time spent on
10 programs not required for eligibility for DHS-administered
11 programs.

12 It should be noted that the DHS is also required to notify
13 clients about tax credits, but that the clients are
14 responsible to contact the county in order to apply for such
15 credit.

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