

JAN 31 1997  
WAYS AND MEANS

HOUSE FILE 120  
BY KREIMAN

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to veterans of the United States armed forces, by  
2 changing eligibility for veteran property tax exemptions.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 120

1 Section 1. Section 427.3, subsections 1 and 2, Code 1997,  
2 are amended to read as follows:

3 1. The property, not to exceed two thousand seven hundred  
4 seventy-eight dollars in taxable value of any honorably  
5 ~~discharged-soldier, sailor, marine, or nurse~~ veteran, as  
6 defined in subsection 3, of the first World War.

7 2. The property, not to exceed one thousand eight hundred  
8 fifty-two dollars in taxable value of ~~an-honorably-separated,~~  
9 ~~retired, furloughed-to-a-reserve, placed-on-inactive-status,~~  
10 ~~or-discharged-soldier, sailor, marine, or nurse-of-the-second~~  
11 ~~World-War-from-December-7, 1941, to-December-31, 1946, army-of~~  
12 ~~occupation-in-Germany-from-November-12, 1918, to-July-11,~~  
13 ~~1923, American-expeditionary-forces-in-Siberia-from-November~~  
14 ~~12, 1918, to-April-30, 1920, second-Nicaraguan-campaign-with~~  
15 ~~the-navy-or-marines-in-Nicaragua-or-on-combatant-ships-1926-~~  
16 ~~1933, second-Haitian-suppression-of-insurrections-1919-1920,~~  
17 ~~navy-and-marine-operations-in-China-1937-1939-and-Yangtze~~  
18 ~~service-with-navy-and-marines-in-Shanghai-or-in-the-Yangtze~~  
19 ~~Valley-1926-1927-and-1930-1932-or-of-the-Korean-Conflict-at~~  
20 ~~any-time-between-June-25, 1950, and-January-31, 1955, both~~  
21 ~~dates-inclusive, or-those-who-served-on-active-duty-during-the~~  
22 ~~Vietnam-Conflict-beginning-December-22, 1961, and-ending-May~~  
23 ~~7, 1975, both-dates-inclusive, or-those-who-served-on-active~~  
24 ~~duty-during-the-Persian-Gulf-Conflict-at-any-time-between~~  
25 ~~August-2, 1990, and-the-date-the-president-or-the-Congress-of~~  
26 ~~the-United-States-declares-a-permanent-cessation-of~~  
27 ~~hostilities, both-dates-inclusive~~ a veteran, as defined in  
28 subsection 3. However, ~~if-Congress-enacts-a-date-different~~  
29 ~~from-August-2, 1990, as-the-beginning-of-the-Persian-Gulf~~  
30 ~~Conflict-for-purposes-of-determining-whether-a-veteran-is~~  
31 ~~entitled-to-receive-military-benefits-as-a-veteran-of-the~~  
32 ~~Persian-Gulf-Conflict, that-date-shall-be-substituted-for~~  
33 ~~August-2, 1990.~~ --For the purposes of this section, "active  
34 duty" means full-time duty in the armed forces of the United  
35 States, excluding active duty for training purposes only and

1 ~~excluding any period a person was assigned by the armed forces~~  
2 ~~to a civilian institution for a course of education or~~  
3 ~~training which was substantially the same as established~~  
4 ~~courses offered to civilians, or as a cadet or midshipman,~~  
5 ~~however enrolled, at one of the service academies.~~

6 Sec. 2. Section 427.3, subsection 3, Code 1997, is amended  
7 by striking the subsection and inserting in lieu thereof the  
8 following:

9 3. "Veteran" means a resident of this state and former  
10 member of the armed forces of the United States who was  
11 discharged under honorable conditions. "Veteran" includes the  
12 following persons:

13 a. Former members of the reserve forces of the United  
14 States who served at least six years in the reserve forces  
15 after January 28, 1973, and who were discharged under  
16 honorable conditions.

17 b. Former members of the Iowa national guard who served at  
18 least six years in the Iowa national guard after January 28,  
19 1973, and who were discharged under honorable conditions.

20 c. Former members of the merchant marines who served  
21 during World War II at any time between December 7, 1941, and  
22 December 31, 1946, both dates inclusive, who were discharged  
23 under honorable conditions.

24 d. Former members of the women's air force service pilots  
25 and other persons who have been conferred veterans status  
26 based on their civilian duties during World War II in  
27 accordance with Pub. L. No. 95-202, 38 U.S.C. § 106.

28 Sec. 3. Section 427.4, Code 1997, is amended to read as  
29 follows:

30 427.4 EXEMPTIONS TO RELATIVES.

31 ~~In case any person in the foregoing classifications~~ If a  
32 veteran does not claim any such exemption from taxation, it  
33 shall be allowed in the name of such person the veteran to the  
34 same extent on the property of any one of the following  
35 persons in the order named:

1 1. The spouse, or surviving spouse remaining unmarried, of  
2 any ~~such-soldier, sailor, marine, or nurse~~ veteran, where they  
3 are living together or were living together at the time of the  
4 death of ~~such-person~~ the veteran.

5 2. The parent whose spouse is deceased and who remains  
6 unmarried, of any ~~such-soldier, sailor, marine, or nurse~~  
7 veteran, whether living or deceased, where ~~such~~ the parent is,  
8 or was at the time of death of the ~~soldier, sailor, marine, or~~  
9 ~~nurse~~ veteran, dependent on ~~such-person~~ the veteran for  
10 support.

11 3. The minor child, or children owning property as tenants  
12 in common, of any ~~such-deceased-soldier, sailor, marine, or~~  
13 ~~nurse~~ veteran.

14 No more than one tax exemption shall be allowed under this  
15 section or section 427.3 in the name of any ~~honorably~~  
16 ~~discharged-soldier, sailor, marine, or nurse~~ veteran.

17 Sec. 4. Section 427.5, unnumbered paragraphs 1, 2, and 5,  
18 Code 1997, are amended to read as follows:

19 A person named in section 427.3, who is a resident of and  
20 domiciled in the state of Iowa, shall receive a reduction  
21 equal to the exemption, to be made from any property owned by  
22 the person and so designated by proceeding as provided in the  
23 section. To be eligible to receive the exemption the person  
24 claiming it shall have recorded in the office of the county  
25 recorder of the county in which is located the property  
26 designated for the exemption, evidence of property ownership  
27 and the military certificate of satisfactory service, order  
28 transferring to inactive status, reserve, retirement, order of  
29 separation from service, ~~honorable~~ discharge under honorable  
30 conditions or a copy of any of these documents of the person  
31 claiming or through whom is claimed the exemption.

32 The person shall file with the appropriate assessor on  
33 forms obtained from the assessor the claim for exemption for  
34 the year for which the person is first claiming the exemption.  
35 The claim shall be filed not later than July 1 of the year for

1 which the person is claiming the exemption. The claim shall  
2 set out the fact that the person is a resident of and  
3 domiciled in the state of Iowa, and a person within the terms  
4 of section 427.3, and shall give the volume and page on which  
5 the certificate of satisfactory service, order of separation,  
6 retirement, furlough to reserve, inactive status, or honorable  
7 discharge under honorable conditions or certified copy thereof  
8 is recorded in the office of the county recorder, and may  
9 include the designation of the property from which the  
10 exemption is to be made, and shall further state that the  
11 claimant is the equitable or legal owner of the property  
12 designated.

13 The failure of a person to file a claim under this section  
14 before July 1 of the year for which the person is first  
15 claiming the exemption or to have evidence of property  
16 ownership and satisfactory service, separation, retirement,  
17 furlough to reserve, inactive status, or honorable discharge  
18 under honorable conditions recorded in the office of the  
19 county recorder does not disqualify the claim if the person  
20 claiming the exemption or through whom the exemption is  
21 claimed is otherwise qualified. The belated claim shall be  
22 filed with the appropriate assessor on or before December 31  
23 of the following calendar year and, if approved by the board  
24 of supervisors, the county treasurer shall file an amended  
25 certificate of military service tax credits with the director  
26 of revenue and finance pursuant to section 426A.3.

27 EXPLANATION

28 This bill redefines "veteran" to include persons who served  
29 in the armed forces of the United States during peacetime or  
30 in civilian occupations which have been given military status  
31 when performed during actual conflict or in war zones.

32 In addition to persons who served in the armed forces  
33 during wars or military conflicts, the term "veteran" includes  
34 former members of the armed forces who served on active duty  
35 during peacetime and were discharged under honorable

1 conditions, former members of the national guard or military  
2 reserve who served six or more years and were discharged under  
3 honorable conditions, former members of the merchant marines  
4 who served during World War II and were discharged under  
5 honorable conditions, and former members of the women's air  
6 force service pilots and other persons who have been conferred  
7 veteran status based on their civilian duties during World War  
8 II. The definition changes make these persons and their  
9 families eligible for veteran property tax exemptions.

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