

1-15-98 Local Com  
2/25/98 Do Pass  
3/24/98 Education

JAN 14 1998  
WAYS AND MEANS

HOUSE FILE 2035  
BY HUSER, CARROLL and  
VANDE HOEF

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

A BILL FOR

1 An Act relating to suspension of payment of property taxes for  
2 certain persons receiving government assistance and providing  
3 an applicability date.

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

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HF 2035

1 Section 1. Section 427.9, Code Supplement 1997, is amended  
2 to read as 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 supplemental security income or state supplementary  
7 assistance, as defined in section 249.1, or is a resident of a  
8 health care facility, as defined by section 135C.1, which is  
9 receiving payment from the department of human services for  
10 the person's care, the person shall be deemed to be unable to  
11 contribute to the public revenue. The On or before July 1 of  
12 each year, the director of human services shall notify a  
13 ~~person-receiving-such-assistance-of-the-tax-suspension~~  
14 ~~provision-and-shall-provide-the-person-with-evidence-to~~  
15 ~~present-to~~ the appropriate county board of supervisors which  
16 ~~shows-the-persons-eligibility-for-tax-suspension-on~~ of the  
17 county in which the person receiving assistance owns parcels,  
18 as defined in section 445.1, of the fact, giving a statement  
19 of parcels owned, possessed, or upon which the person is  
20 paying taxes as a purchaser under contract. The board of  
21 supervisors so notified, without the filing of a petition and  
22 statement as specified in section 427.8, shall order the  
23 county treasurer to suspend the collection of all the taxes,  
24 special assessments, and rates or charges, including interest,  
25 fees, and costs, assessed against the parcels and remaining  
26 unpaid by the person or contractually payable by the person.  
27 for such time as the person remains the owner or contractually  
28 prospective owner of the parcels, and during the period the  
29 person receives assistance as described in this section. The  
30 ~~county-board-of-supervisors-shall-annually-send-to-the~~  
31 ~~department-of-human-services-the-names-and-social-security~~  
32 ~~numbers-of-persons-receiving-a-tax-suspension-pursuant-to-this~~  
33 ~~section.--The-department-shall-verify-the-continued~~  
34 ~~eligibility-for-tax-suspension-of-each-name-on-the-list-and~~  
35 ~~shall-return-the-list-to-the-board-of-supervisors. The~~

1 director of human services shall advise the person that the  
2 person may apply for an additional property tax credit  
3 pursuant to sections 425.16 to 425.39 which shall be credited  
4 against the amount of the taxes suspended.

5 Sec. 2. This Act applies to property taxes due and payable  
6 in the fiscal year beginning July 1, 1999.

7 EXPLANATION

8 Iowa law currently provides that a recipient of federal  
9 supplemental security income or state supplementary assistance  
10 or a resident of a health care facility receiving state  
11 assistance on behalf of the resident is entitled to a  
12 suspension of property taxes until such time as the residence  
13 owned by the recipient is sold or the person is no longer a  
14 recipient. Prior to 1995, the Iowa department of human  
15 services was required to send each county board of supervisors  
16 a list of such persons owning a residence within the county  
17 and the board, upon notification from the department, was  
18 required to suspend the taxes. An amendment to the Iowa Code  
19 in 1995 instead required the department to notify recipients  
20 of their eligibility for tax suspension and to provide  
21 recipients with proof of a claim for tax suspension to present  
22 to the board of supervisors. An amendment in 1997 required  
23 the department to verify the eligibility of persons contained  
24 on lists annually submitted by the board of supervisors to the  
25 department.

26 This bill returns the language of the Iowa Code to that  
27 prior to 1995 by requiring the department of human services to  
28 notify counties of a recipient's eligibility for tax  
29 suspension with no action required of the recipient.

30 The bill applies to property taxes due and payable in the  
31 fiscal year beginning July 1, 1999.

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