

JAN 22 1997
WAYS AND MEANS

HOUSE FILE 49
BY GRUNDBERG

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

A BILL FOR

1 An Act providing a property tax exemption for property leased
2 under the federal elder cottage housing opportunity program
3 and providing a retroactive effective date.

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

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HF 49

1 Section 1. Section 427.1, Code 1997, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 21A. ELDER COTTAGE HOUSING. Low-rent
4 housing and the property upon which such housing is located if
5 the property is leased by a nonprofit organization and the
6 low-rent housing located on the leased property is purchased
7 pursuant to the elder cottage housing opportunity program of
8 the federal Affordable Housing Act. The exemption granted
9 under this subsection shall apply only until the terms of the
10 elder cottage housing opportunity lease expires, subject to
11 the provisions of subsection 14.

12 Sec. 2. This Act applies retroactively to January 1, 1996,
13 for assessment years beginning on or after that date.

14 EXPLANATION

15 This bill provides a property tax exemption for property
16 leased by a nonprofit organization under the terms of the
17 elder cottage housing opportunity program of the federal
18 Affordable Housing Act. Under this program, a nonprofit
19 organization may lease property from a qualified owner,
20 usually an elderly person or that person's relative, and place
21 upon the property relocatable housing for use as a residence
22 by the elderly person or the relative providing care for the
23 elderly person.

24 The bill applies retroactively to January 1, 1996, for
25 assessment years beginning on or after that date.

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