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SENATE FILE 2111 WAYS & MEANS

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

A BILL FOR

1 An Act relating to the filing of a claim for military service tax
2 exemptions by members of the reserved forces of the United
3 States and Iowa national guard who are ordered to active duty
4 and including effective and applicability date provisions.

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

S.F. 2111
WAYS & MEANS

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1 Section 1. Section 426A.13, unnumbered paragraphs 2 and 3,
2 Code 2003, are amended to read as follows:

3 The person shall file with the appropriate assessor on
4 forms obtained from the assessor the claim for exemption for
5 the year for which the person is first claiming the exemption.
6 The claim shall be filed not later than July 1 of the year for
7 which the person is claiming the exemption. The claim shall
8 set out the fact that the person is a resident of and
9 domiciled in the state of Iowa, and a person within the terms
10 of section 426A.11, and shall give the volume and page on
11 which the certificate of satisfactory service, order of
12 separation, retirement, furlough to reserve, inactive status,
13 or honorable discharge or certified copy thereof is recorded
14 in the office of the county recorder, and may include the
15 designation of the property from which the exemption is to be
16 made, and shall further state that the claimant is the
17 equitable or legal owner of the property designated or if the
18 property is owned by a family farm corporation, that the
19 person is a shareholder of that corporation and that the
20 person occupies the property. However, a member of the
21 reserve forces of the United States or the Iowa national guard
22 who has not otherwise qualified as a veteran may file an
23 application for a claim upon receipt of orders calling the
24 member to active duty. If at the end of the term of active
25 duty the member will have qualified for the exemption, the
26 claim shall be approved subject to the setting aside of the
27 allowance of the claim as provided in section 426A.6.

28 Upon the filing and allowance of the claim, the claim shall
29 be allowed to that person for successive years without further
30 filing. However, for a person whose claim was allowed because
31 the person was a member of the reserve forces of the United
32 States or Iowa national guard who was ordered to active duty,
33 the claim shall be valid for no more than one additional year.
34 After that year, the person shall refile for the exemption.
35 Provided, that notwithstanding the filing or having on file a

1 claim for exemption, the person or person's spouse is the
2 legal or equitable owner of the property on July 1 of the year
3 for which the claim is allowed. When the property is sold or
4 transferred or the person wishes to designate different
5 property for the exemption, a person who wishes to receive the
6 exemption shall refile for the exemption. A person who sells
7 or transfers property which is designated for the exemption or
8 the personal representative of a deceased person who owned
9 such property shall provide written notice to the assessor
10 that the property is no longer legally or equitably owned by
11 the former claimant.

12 Sec. 2. EFFECTIVE AND APPLICABILITY DATE. This Act, being
13 deemed of immediate importance, takes effect upon enactment
14 and applies to exemptions for fiscal years beginning on or
15 after July 1, 2004.

16 EXPLANATION

17 This bill allows a member of the reserve forces of the
18 United States or Iowa national guard who does not otherwise
19 qualify for the military service tax exemption to file for a
20 claim and receive the exemption if the member receives orders
21 calling the member to active duty for a period that will
22 qualify the member for the exemption upon completion of the
23 active duty. The exemption will be approved subject to the
24 threat of the exemption being set aside if the member does not
25 later qualify. The approval is valid for only two years.

26 The bill takes effect upon enactment and applies to
27 exemptions for fiscal years beginning on or after July 1,
28 2004.

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