

FILED JAN 18 2006

WAYS & MEANS

SENATE FILE

2038

BY LAMBERTI

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

**A BILL FOR**

1 An Act relating to an additional homestead credit for disabled  
 2 veterans and including an effective date.

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

WAYS & MEANS

SF 2038

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1 Section 1. NEW SECTION. 425.15A DISABLED VETERAN TAX  
2 FREEZE.

3 1. For purposes of this section, unless the contest  
4 otherwise requires:

5 a. "Base year" means the year immediately preceding the  
6 first year in which the additional homestead credit under this  
7 section is allowed on the disabled veteran's homestead.

8 b. "Disabled veteran" means either of the following:

9 (1) A veteran who is entitled to compensation or who, but  
10 for the receipt of military retired pay, would be entitled to  
11 compensation under laws administered by the secretary of the  
12 United States department of veterans affairs.

13 (2) A person who was discharged or released from active  
14 duty because of a service-connected disability.

15 2. A disabled veteran who is eligible for the credit  
16 allowed under section 425.1 may claim an additional homestead  
17 credit pursuant to this section. To claim the credit under  
18 this section, the disabled veteran shall file by July 1 of the  
19 year for which the veteran is claiming the credit. The amount  
20 of the credit equals the amount of property taxes, less the  
21 regular homestead credit allowed under section 425.1, levied  
22 in the coming fiscal year that exceeds the amount of property  
23 taxes, less the regular homestead credit allowed under section  
24 425.1, that were levied in the base year. The credit under  
25 this section is payable from the homestead credit fund created  
26 in section 425.1.

27 Upon the filing and allowance of the claim, the claim shall  
28 be allowed on the disabled veteran's homestead for successive  
29 years without further filing as long as the property is  
30 legally and equitably owned and used as a homestead by the  
31 disabled veteran on July 1 of each of those successive years.

32 The credit allowed shall be continued to the estate of the  
33 disabled veteran who is deceased or the surviving spouse and  
34 any child, as defined in section 234.1, who are the  
35 beneficiaries of the deceased, disabled veteran, so long as

1 the surviving spouse remains unmarried.

2 Sec. 2. EFFECTIVE DATE. This Act, being deemed of  
3 immediate importance, takes effect upon enactment.

4 EXPLANATION

5 This bill provides that the property tax on a disabled  
6 veteran's homestead shall not increase from year to year. To  
7 receive this credit, the veteran must file by July 1 similar  
8 to filing for the regular homestead credit. Once the claim is  
9 filed and allowed, the veteran does not have to file for  
10 successive years so long as the property is still owned and  
11 used by the veteran as a homestead.

12 A disabled veteran is one who is entitled to compensation  
13 for injuries from active duty or would have received  
14 compensation but for retirement or is one who was discharged  
15 or released from active duty because of a service-connected  
16 disability.

17 The bill takes effect upon enactment.

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