

House File 2102 - Introduced

HOUSE FILE _____
BY BOAL, WIENCEK, BAUDLER, JACOBS,
GRASSLEY, LUKAN, DE BOEF, DEYOE,
PETTENGILL, DRAKE, UPMAYER, PAULSEN,
RAECKER, SANDS, S. OLSON, HORBACH,
TYMESON, WATTS, KAUFMANN, TOMENGA,
STRUYK, WINDSCHITL, VAN FOSSEN,
RASMUSSEN, ARNOLD, WORTHAN, ALONS,
SODERBERG, FORRISTALL, L. MILLER,
TJEPKES, HEATON, RAYHONS, CHAMBERS,
VAN ENGELENHOVEN, and HUSEMAN

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

A BILL FOR

1 An Act relating to a property assessment adjustment for certain
2 elderly persons, providing a penalty, and including
3 retroactive applicability date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 5163YH 82
6 sc/rj/5

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1 1 Section 1. NEW SECTION. 424A.1 HOMESTEAD ASSESSED VALUE
1 2 ADJUSTMENT == PURPOSE.
1 3 Persons who own their homesteads and who meet the
1 4 qualifications provided in this chapter are eligible for an
1 5 adjustment in the assessed value of their homesteads, as
1 6 provided in this chapter, to prevent an increase in such
1 7 values.
1 8 Sec. 2. NEW SECTION. 424A.2 DEFINITIONS.
1 9 As used in this chapter, unless the context otherwise
1 10 requires:
1 11 1. "Assessed value" means the actual value prior to any
1 12 adjustment pursuant to section 441.21, subsection 4.
1 13 2. "Base assessment year" means the assessment year
1 14 beginning in the base year.
1 15 3. "Base year" means the calendar year last ending before
1 16 the claim is filed.
1 17 4. "Claimant" means a person filing a claim for adjustment
1 18 under this chapter who has attained the age of sixty-five
1 19 years on or before December 31 of the base year and is
1 20 domiciled in this state at the time the claim is filed or at
1 21 the time of the person's death in the case of a claim filed by
1 22 the executor or administrator of the claimant's estate.
1 23 5. "Homestead" means the dwelling owned and actually used
1 24 as a home by the claimant during any part of the fiscal year
1 25 beginning July 1 of the base year, and so much of the land
1 26 surrounding it including one or more contiguous lots or tracts
1 27 of land, as is reasonably necessary for use of the dwelling as
1 28 a home, and may consist of a part of a multidwelling or
1 29 multipurpose building and a part of the land upon which it is
1 30 built. It does not include personal property except that a
1 31 manufactured or mobile home may be a homestead. Any dwelling
1 32 or a part of a multidwelling or multipurpose building which is
1 33 exempt from taxation does not qualify as a homestead under
1 34 this chapter. A homestead must be located in this state.
1 35 When a person is confined in a nursing home, extended-care
2 1 facility, or hospital, the person shall be considered as
2 2 occupying or living in the person's homestead if the person is
2 3 the owner of the homestead and the person maintains the
2 4 homestead and does not lease, rent, or otherwise receive
2 5 profits from other persons for the use of the homestead.
2 6 6. "Household", "household income", and "income" mean the
2 7 same as those terms are defined in section 425.17.
2 8 7. "Owned" means owned by an owner as defined in section
2 9 425.11.

2 10 Sec. 3. NEW SECTION. 424A.3 RIGHT TO FILE A CLAIM.

2 11 The right to file a claim for an assessed value adjustment
2 12 under this chapter may be exercised by the claimant or on
2 13 behalf of a claimant by the claimant's legal guardian, spouse,
2 14 or attorney, or by the executor or administrator of the
2 15 claimant's estate. If a claimant dies after having filed a
2 16 claim for adjustment, the amount of any adjustment shall be
2 17 made as if the claimant had not died.

2 18 Sec. 4. NEW SECTION. 424A.4 CLAIM FOR ADJUSTMENT.

2 19 Subject to the limitations provided in this chapter, a
2 20 claimant may annually claim an adjustment of the assessed
2 21 value of the claimant's homestead for the base assessment
2 22 year. The adjustment claim shall be filed with the county
2 23 assessor between January 1 and February 15 immediately
2 24 following the close of the base assessment year. However, in
2 25 case of sickness, absence, or other disability of the
2 26 claimant, or if in the judgment of the county assessor good
2 27 cause exists, the county assessor may extend the time for
2 28 filing a claim for adjustment through June 30 of the same
2 29 calendar year.

2 30 The county assessor shall notify the department of revenue
2 31 by March 1 of the number of claimants receiving adjustments
2 32 under this chapter and the total amount of the reduced
2 33 assessed values for the base assessment year.

2 34 Sec. 5. NEW SECTION. 424A.5 QUALIFICATION AND ADJUSTMENT
2 35 == MAXIMUM TAX DOLLARS LEVIED.

3 1 1. If the household income qualification specified in
3 2 subsection 2 is met, the assessed value of the claimant's
3 3 homestead in the base assessment year shall be adjusted, but
3 4 not increased, to equal the assessed value, as such assessed
3 5 value may have been adjusted pursuant to this chapter, in the
3 6 assessment year preceding the base assessment year. However,
3 7 if the property tax dollars to be raised by levy against the
3 8 adjusted assessment exceed the property tax dollars raised by
3 9 levy against the property in the fiscal year for which taxes
3 10 were first levied against an adjusted assessment, the
3 11 treasurer shall subtract the difference from the amount due.

3 12 2. A claimant is eligible for an adjustment to the
3 13 assessed value of the claimant's homestead if the claimant's
3 14 household income is twenty-five thousand dollars or less.

3 15 Sec. 6. NEW SECTION. 424A.6 ADMINISTRATION.

3 16 The director of revenue shall make available suitable forms
3 17 for claiming an assessed value adjustment with instructions
3 18 for claimants. Each assessor and county treasurer shall make
3 19 available the forms and instructions. The claim shall be in a
3 20 form as the director may prescribe.

3 21 Sec. 7. NEW SECTION. 424A.7 PROOF OF CLAIM.

3 22 Every claimant shall give the department of revenue, in
3 23 support of the claim, reasonable proof of:

- 3 24 1. Age.
- 3 25 2. Changes of homestead.
- 3 26 3. Household membership.
- 3 27 4. Household income.
- 3 28 5. Size and nature of the property claimed as the
3 29 homestead.

3 30 The director of revenue may require any additional proof
3 31 necessary to support a claim.

3 32 Sec. 8. NEW SECTION. 424A.8 AUDIT == DENIAL.

3 33 If on the audit of a claim for adjustment under this
3 34 chapter, the director of revenue determines the claim is not
3 35 allowable, the director shall notify the claimant of the
4 1 denial and the reasons for it. The director shall not deny a
4 2 claim after three years from October 31 of the year in which
4 3 the claim was filed. The director shall give notification to
4 4 the county assessor of the denial of the claim and the county
4 5 assessor shall instruct the county treasurer to proceed to
4 6 collect the tax that would have been levied on the adjusted
4 7 assessed value in the same manner as other property taxes due
4 8 and payable are collected, if the property on which the
4 9 adjustment was granted is still owned by the claimant.

4 10 Sec. 9. NEW SECTION. 424A.9 WAIVER OF CONFIDENTIALITY.

4 11 A claimant shall expressly waive any right to
4 12 confidentiality relating to all income tax information
4 13 obtainable through the department of revenue, including all
4 14 information covered by sections 422.20 and 422.72. This
4 15 waiver shall apply to information available to the county
4 16 assessor who shall hold the information confidential except
4 17 that it may be used as evidence to disallow the assessed value
4 18 adjustment.

4 19 The department of revenue may release information
4 20 pertaining to a person's eligibility or claim for or receipt

4 21 of the assessed value adjustment to an employee of the
4 22 department of inspections and appeals in the employee's
4 23 official conduct of an audit or investigation.

4 24 Sec. 10. NEW SECTION. 424A.10 FALSE CLAIM == PENALTY.

4 25 A person who makes a false affidavit for the purpose of
4 26 obtaining an adjustment in assessed value provided for in this
4 27 chapter or who knowingly receives the adjustment without being
4 28 legally entitled to it or makes claim for the adjustment in
4 29 more than one county in the state without being legally
4 30 entitled to it is guilty of a fraudulent practice. The claim
4 31 for adjustment shall be disallowed in full and property tax
4 32 shall be levied on the disallowed adjustment at the rate that
4 33 would have been levied but for the adjustment. The director
4 34 of revenue shall send a notice of disallowance of the claim.

4 35 Sec. 11. NEW SECTION. 424A.11 STATUTES APPLICABLE.

5 1 To the extent not otherwise contrary, the provisions of
5 2 sections 425.30, 425.31, 425.32, and 425.37 apply to this
5 3 chapter.

5 4 Sec. 12. STATE FUNDING OF TAX CREDITS AND EXEMPTIONS ==
5 5 INAPPLICABILITY. The provisions in section 25B.7, relating to
5 6 the obligation of the state to reimburse local jurisdictions
5 7 for property tax credits and exemptions, do not apply to
5 8 chapter 424A, as enacted in this Act.

5 9 Sec. 13. APPLICABILITY DATES. This Act applies
5 10 retroactively to January 1, 2008, for assessment years
5 11 beginning on or after that date and to the filing of claims on
5 12 or after January 1, 2009, for adjustments of assessed values.

5 13 EXPLANATION

5 14 This bill provides for an adjustment (freeze) in the
5 15 assessed value of a homestead if the owner is a person who is
5 16 65 or older and whose household income is \$25,000 or less. If
5 17 those qualifications are met, the assessed value of the
5 18 homestead upon which property taxes are levied in a fiscal
5 19 year is the same assessed value as for the previous fiscal
5 20 year. Assessed value is that value prior to any rollback
5 21 being applied.

5 22 The bill provides that the provision in Code section 25B.7
5 23 that requires the state to fund reimbursement for property tax
5 24 credits and exemptions does not apply to the adjustment in
5 25 value provided for in the bill.

5 26 The bill applies retroactively to January 1, 2008, for
5 27 assessment years beginning on or after that date and applies
5 28 to claims filed on or after January 1, 2009, for the
5 29 adjustments.

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