Senate File 2294 - Introduced

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

A BILL FOR

1 An Act relating to the maximum amount of property taxes due or
2   rent constituting property taxes paid that may be considered
3   in calculating the elderly and disabled property tax credit or
4   rent reimbursement and including an applicability date
5   provision.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
7 TLSB 5831XS 82
8 mg/sc/24

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1 1   Section 1. Section 425.24, Code 2007, is amended to read
1 2 as follows:
1 3   425.24 MAXIMUM PROPERTY TAX FOR PURPOSE OF CREDIT OR
1 4 REIMBURSEMENT.
1 5   1. In any case in which property taxes due or rent
1 6 constituting property taxes paid for any household exceeds one
1 7 thousand five hundred dollars, the amount of property taxes
1 8 due or rent constituting property taxes paid shall be deemed
1 9 to have been one thousand five hundred dollars for purposes of
1 10 this division.
1 11   2. a. For the base year beginning in the 2010 calendar
1 12 year and for each subsequent base year, the maximum dollar
1 13 amount set forth in subsection 1 shall be multiplied by the
1 14 cumulative adjustment factor for that base year. "Cumulative
1 15 adjustment factor" means the product of the annual adjustment
1 16 factor for the 2009 base year and all annual adjustment
1 17 factors for subsequent base years. The cumulative adjustment
1 18 factor applies to the base year beginning in the calendar year
1 19 for which the latest annual adjustment factor has been
1 20 determined.
1 21   b. The annual adjustment factor for the 2009 base year is
1 22 one hundred percent. For each subsequent base year, the
1 23 annual adjustment factor equals the annual inflation factor
1 24 for the calendar year in which the base year begins, as
1 25 computed in section 422.4 for purposes of the individual
1 26 income tax.
1 27   Sec. 2. Section 25B.7 does not apply to the provisions of
1 28 this Act.
1 29   Sec. 3. APPLICABILITY DATE. This Act applies to claims
1 30 for credit for property taxes due and claims for rent
1 31 constituting property taxes paid that are filed on or after
1 32 January 1, 2009.
1 33   EXPLANATION
1 34   This bill increases from $1,000 to $1,500 the maximum
1 35 amount of property taxes due or rent constituting property
2 1 taxes paid that may be considered in calculating the elderly
2 2 and disabled property tax credit or rent reimbursement. The
2 3 bill provides for the adjustment of the $1,500 maximum amount
2 4 by an inflation factor that is based on the inflation factor
2 5 used for the rate schedule under the individual income tax.
2 6   The bill applies to claims filed on or after July 1, 2009.
2 7 LSB 5831XS 82
2 8 mg/sc/24