

House File 177 - Introduced

HOUSE FILE _____
BY LUKAN

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

A BILL FOR

1 An Act providing for a renewable energy homestead property tax
2 credit for certain homesteads meeting certification
3 requirements relating to renewable energy system installation,
4 making an appropriation, and including an effective and
5 applicability date provision.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
7 TLSB 1564HH 83
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1 1 Section 1. NEW SECTION. 425B.1 RENEWABLE ENERGY
1 2 HOMESTEAD PROPERTY TAX CREDIT FUND.
1 3 There is created as a permanent fund in the office of the
1 4 treasurer of state a fund to be known as the renewable energy
1 5 homestead property tax credit fund. For the purposes of
1 6 establishing and maintaining this fund, for each fiscal year
1 7 there is appropriated from the general fund of the state and
1 8 deposited into the renewable energy homestead property tax
1 9 credit fund an amount sufficient to implement this chapter.
1 10 Sec. 2. NEW SECTION. 425B.2 DEFINITIONS.
1 11 As used in this chapter, unless the context otherwise
1 12 requires:
1 13 1. "Department" means the department of public safety.
1 14 2. "Dwelling house" means the same as defined in section
1 15 425.11, subsection 3.
1 16 3. "Homestead" means the same as defined in section
1 17 425.11, subsection 3.
1 18 4. "Owner" means the same as defined in section 425.11,
1 19 subsection 4.
1 20 5. "Renewable energy" means energy derived from
1 21 geothermal, solar, or wind turbine energy sources.
1 22 Sec. 3. NEW SECTION. 425B.3 WHERE CREDIT GIVEN ==
1 23 APPORTIONMENT == PAYMENT.
1 24 1. The renewable energy homestead property tax credit fund
1 25 shall be apportioned each year so as to give a credit against
1 26 the tax levied on twenty percent of the assessed valuation of
1 27 an eligible homestead.
1 28 2. The director of the department of administrative
1 29 services shall issue warrants on the renewable energy
1 30 homestead property tax credit fund payable under this chapter
1 31 to the county treasurer of the several counties of the state.
1 32 The amount due each county shall be paid in two payments on
1 33 November 15 and March 15 of each fiscal year, drawn upon
1 34 warrants payable to the respective county treasurers. The two
1 35 payments shall be as nearly equal as possible.
2 1 3. The amount of credits shall be apportioned by each
2 2 county treasurer to the several taxing districts as provided
2 3 by law, in the same manner as though the amount of the credit
2 4 has been paid by the owner. However, the several taxing
2 5 districts shall not draw the funds so credited until after the
2 6 semiannual allocations have been received by the county
2 7 treasurer, as provided in this chapter. Each county treasurer
2 8 shall show on each tax receipt the amount received from the
2 9 renewable energy homestead property tax fund.
2 10 4. The renewable energy homestead property tax credit
2 11 allowed in this chapter shall not exceed the actual amount of
2 12 taxes payable on a homestead, exclusive of any special
2 13 assessments levied against the homestead, and shall be in
2 14 addition to amounts received for the homestead property tax
2 15 credit pursuant to chapter 425.
2 16 Sec. 4. NEW SECTION. 425B.4 CLAIM FOR CREDIT.
2 17 1. A claim for credit shall be made on claim forms

2 18 prescribed by the department of revenue and made available by
2 19 the assessor of the city or county in which the homestead is
2 20 located. In addition to the completed claim form, the owner
2 21 shall supply a legible copy of a renewable energy homestead
2 22 property tax credit eligibility certificate obtained from the
2 23 department of public safety. The claim shall be filed not
2 24 later than July 1 of the year for which the owner is claiming
2 25 the credit. A claim filed after July 1 of the year for which
2 26 the owner is claiming the credit shall be considered as a
2 27 claim filed for the following year.

2 28 2. Upon the filing and allowance of the claim, the claim
2 29 shall be allowed on the homestead each year that the homestead
2 30 receives certification pursuant to section 425B.5 and the
2 31 owner files the annual certification with the assessor. If
2 32 the homestead is sold, the credit for the period after the
2 33 sale which would have been allowable under this chapter to the
2 34 prior owner had the homestead not been sold shall be allowable
2 35 to the new owner. A tax credit for the year of sale shall be
3 1 allocated between the parties on the basis of the number of
3 2 days during such year that the homestead was owned by each.

3 3 Sec. 5. NEW SECTION. 425B.5 RENEWABLE ENERGY HOMESTEAD
3 4 ELIGIBILITY CERTIFICATE.

3 5 1. Prior to submitting a claim for a renewable energy
3 6 homestead property tax credit, an owner shall obtain from an
3 7 architect or professional engineer licensed to practice in
3 8 this state, a local building department inspector, or a local
3 9 contractor certified by the department in renewable energy
3 10 system installation according to procedures to be established
3 11 by the department by rule under chapter 17A, a completed
3 12 renewable energy homestead eligibility certificate.

3 13 2. The eligibility certificate shall consist of a
3 14 certificate, under seal, that the owner of a homestead with
3 15 respect to which the credit is claimed has installed a
3 16 geothermal, solar, or wind turbine system which after
3 17 installation constitutes the homestead's primary energy
3 18 source, that the installation complies with local zoning
3 19 ordinances regarding the installation of energy producing
3 20 systems or equipment, and that verification of the
3 21 installation as the homestead's primary energy source has been
3 22 obtained from a local gas and electric public utility. The
3 23 initial eligibility certification shall be made in a form and
3 24 in a manner as prescribed by the department by rule under
3 25 chapter 17A. Eligibility certification obtained annually
3 26 thereafter shall be subject to documentation that the
3 27 installation continues to operate as the homestead's primary
3 28 energy source in a form and in a manner as prescribed by the
3 29 department by rule under chapter 17A.

3 30 3. The eligibility certificate shall include sufficient
3 31 information to identify the homestead subject to the
3 32 certificate, and such other information as the department
3 33 shall require. An eligibility certificate must be renewed on
3 34 an annual basis pursuant to the same certification procedure
3 35 as applicable to initial certification. The owner shall file
4 1 with the department, on an annual basis, a copy of the
4 2 eligibility certificate.

4 3 Sec. 6. NEW SECTION. 425B.6 COMPUTATION BY AUDITOR.

4 4 1. The credit, if allowed, shall be computed by the county
4 5 auditor on or before August 1 of each year for which a
4 6 homestead shall be eligible in an amount equal to the tax
4 7 levied on the applicable percentage of the property's assessed
4 8 valuation. On or before August 1, the auditor shall certify
4 9 the total amount of the credits to the department of revenue.

4 10 2. An owner whose claim for a renewable energy homestead
4 11 property tax credit is denied may file an appeal with the
4 12 department of revenue within sixty days from the date of
4 13 denial pursuant to the provisions of chapter 17A.

4 14 Sec. 7. NEW SECTION. 425B.7 RULES.

4 15 The department of public safety, with assistance from the
4 16 department of natural resources, shall promulgate rules
4 17 adopting standards for a building to qualify as a homestead
4 18 deriving primary energy from geothermal, solar, or wind energy
4 19 sources. The department of public safety and the department
4 20 of revenue shall adopt additional rules necessary to
4 21 administer this chapter.

4 22 Sec. 8. EFFECTIVE AND APPLICABILITY DATE. This Act, being
4 23 deemed of immediate importance, takes effect upon enactment
4 24 and applies to property taxes due and payable in fiscal years
4 25 beginning on or after July 1, 2010.

4 26 EXPLANATION

4 27 This bill provides a property tax credit for homesteads in
4 28 which the owner has installed as the homestead's primary

4 29 energy source a geothermal, solar, or wind turbine system.
4 30 The bill creates a renewable energy homestead property tax
4 31 credit fund, and provides for a standing unlimited annual
4 32 appropriation from the general fund of the state to the
4 33 renewable energy homestead property tax credit fund in an
4 34 amount sufficient to pay the renewable energy homestead
4 35 property tax credits.

5 1 The credit shall consist of an amount computed against the
5 2 assessed valuation of an eligible homestead that qualifies for
5 3 the homestead property tax credit pursuant to Code chapter
5 4 425, equal to 20 percent of the assessed value of the
5 5 homestead, and shall continue on an ongoing basis provided
5 6 that annual certification is obtained. The bill specifies
5 7 procedures regarding transferring the credit to a successor
5 8 owner, claiming the credit, obtaining a renewable energy
5 9 homestead property tax credit eligibility certificate from the
5 10 department of public safety on an annual basis, submitting a
5 11 certificate completed by a professional specified in the bill
5 12 with the claim to the department of revenue, and filing a copy
5 13 with the department of public safety.

5 14 The bill provides that the department of public safety,
5 15 with assistance from the department of natural resources,
5 16 shall adopt rules adopting qualification standards. The bill
5 17 further provides that the department of revenue shall adopt
5 18 additional rules necessary to administer the bill's
5 19 provisions.

5 20 The bill takes effect upon enactment and applies to
5 21 property taxes due and payable in fiscal years beginning on or
5 22 after July 1, 2010.

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