House File 2429 - Introduced

HOUSE FILE 2429
BY WINDSCHITL, ZIRKELBACH, and CHAMBERS

A BILL FOR

- 1 An Act relating to an additional homestead credit available
- 2 to disabled veterans and including effective date and
- 3 applicability provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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- 1 Section 1. <u>NEW SECTION</u>. **425.15A Disabled veteran tax** 2 freeze.
- 3 l. For purposes of this section, unless the context 4 otherwise requires:
- 5 a. "Base year" means the fiscal year immediately preceding 6 the first fiscal year in which the additional homestead
- 7 credit under this section is allowed on the disabled veteran's 8 homestead.
- 9 b. "Disabled veteran" means either of the following:
- 10 (1) A veteran who is entitled to compensation or who, but
- 11 for the receipt of military retirement pay, would be entitled
- 12 to compensation under laws administered by the secretary of the
- 13 United States department of veterans affairs.
- 14 (2) A person who was discharged or released from active duty
- 15 because of a service-connected disability.
- 16 2. A disabled veteran who is eligible for the credit allowed
- 17 under section 425.1 may claim an additional homestead credit
- 18 pursuant to this section. To claim the credit under this
- 19 section, the disabled veteran shall file on or before June 30
- 20 of the base year for which the veteran is first claiming the
- 21 credit. The amount of the credit equals the amount of property
- 22 taxes, less the regular homestead credit allowed under section
- 23 425.1, due and payable in the coming fiscal year that exceeds
- 24 the amount of property taxes, less the regular homestead credit
- 25 allowed under section 425.1, that were due and payable in the
- 26 base year. The credit under this section is payable from the
- 27 homestead credit fund created in section 425.1.
- 28 3. Upon the filing and allowance of the claim, the claim
- 29 shall be allowed on the disabled veteran's homestead for
- 30 successive years without further filing as long as the property
- 31 is legally and equitably owned and used as a homestead by
- 32 the disabled veteran on July 1 of each of those successive
- 33 years. The credit allowed shall be continued to the estate
- 34 of the disabled veteran who is deceased or the surviving
- 35 spouse and any child, as defined in section 234.1, who are the

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- 1 beneficiaries of the deceased, disabled veteran, so long as the
- 2 surviving spouse remains unmarried.
- 3 Sec. 2. EFFECTIVE DATE AND APPLICABILITY. This Act, being
- 4 deemed of immediate importance, takes effect upon enactment
- 5 and applies to property taxes due and payable in fiscal years
- 6 beginning on or after July 1, 2010.
- 7 EXPLANATION
- 8 This bill provides that the property tax on a disabled
- 9 veteran's homestead shall not increase from year to year. To
- 10 receive this credit, the veteran must file on or before June 30
- 11 in a manner similar to filing for the regular homestead credit.
- 12 Once the claim is filed and allowed, the veteran does not have
- 13 to file for successive years so long as the property is still
- 14 owned and used by the veteran as a homestead.
- 15 A disabled veteran is one who is entitled to compensation for
- 16 injuries from active duty or would have received compensation
- 17 but for retirement pay or is one who was discharged or released
- 18 from active duty because of a service-connected disability.
- 19 The bill takes effect upon enactment and applies to property
- 20 taxes due and payable in fiscal years beginning on or after
- 21 July 1, 2010.