

House File 581 - Introduced

HOUSE FILE _____
BY S. OLSON

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

A BILL FOR

1 An Act relating to certain property of associations of war
2 veterans eligible for an exemption from property taxation,
3 providing a refund of property taxes in certain circumstances,
4 and including effective and retroactive applicability date
5 provisions.

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

7 TLSB 1070YH 83

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1 1 Section 1. Section 427.1, subsection 5, Code 2009, is
1 2 amended to read as follows:

1 3 5. PROPERTY OF ASSOCIATIONS OF WAR VETERANS.

1 4 a. The property of any organization composed wholly of
1 5 veterans of any war, when such property is devoted entirely to
1 6 its own use and not held for pecuniary profit.

1 7 b. The exemption provided under this subsection shall

1 8 apply to property that is owned by an organization of war

1 9 veterans and leased for use as a community center if all lease

1 10 proceeds, in excess of expenses, are used for the legitimate

1 11 purposes of the organization. The lessee of exempt property

1 12 under this paragraph may sublet the property, or portions

1 13 thereof, to any fraternal, business, or social organization

1 14 for special events without affecting the exemption provided

1 15 under this paragraph.

1 16 c. The operation of bingo games on property of such
1 17 organization shall not adversely affect the exemption of that
1 18 property under this subsection if all proceeds, in excess of
1 19 expenses, are used for the legitimate purposes of the
1 20 organization.

1 21 Sec. 2. REFUND OF PROPERTY TAXES AND APPLICATION

1 22 DEADLINES. Notwithstanding the deadline for filing a claim

1 23 for property tax exemption for property described in section

1 24 427.1, subsection 5, paragraph "b", as enacted in this Act,

1 25 and notwithstanding any other provision to the contrary, the

1 26 board of supervisors of a county having a population of at

1 27 least fifty thousand but not more than fifty-one thousand,

1 28 according to the 2000 certified federal census, shall refund

1 29 the property taxes paid, with all interest, penalties, fees,

1 30 and costs that were due and payable in the fiscal beginning

1 31 July 1, 2008. To receive the refund provided for in this

1 32 section, the taxpayer shall apply to the county board of

1 33 supervisors by October 1, 2009, and provide appropriate

1 34 information establishing that the property for which the

1 35 refund is sought was owned and used for appropriate purposes

2 1 during the fiscal year beginning July 1, 2008.

2 2 Sec. 3. EXEMPTION FROM PROPERTY TAXES. Notwithstanding

2 3 the deadline for filing a claim for property tax exemption for

2 4 property described in section 427.1, subsection 5, paragraph

2 5 "b", as enacted in this Act, an exemption for property taxes

2 6 due and payable in the fiscal year beginning July 1, 2009,

2 7 shall be valid if the taxpayer applies to the board of

2 8 supervisors by August 1, 2009. If a claim for exemption is

2 9 granted under this section, it shall be considered a timely

2 10 filed claim for purposes of section 427.1, subsection 14, and

2 11 the exemption shall be allowed on the property for successive

2 12 years without further filing as long as the property is used

2 13 for the purposes specified in the original claim for

2 14 exemption.

2 15 Sec. 4. APPLICABILITY. Section 25B.7 does not apply to

2 16 the provisions of this Act.

2 17 Sec. 5. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.

2 18 This Act, being deemed of immediate importance, takes effect
2 19 upon enactment and applies retroactively to property taxes due
2 20 and payable in fiscal years beginning on or after July 1,
2 21 2008.

2 22 EXPLANATION

2 23 Current law provides an exemption from property tax for
2 24 property owned by an association of war veterans when such
2 25 property is devoted entirely to its own use and not held for
2 26 pecuniary profit. This bill allows the exemption on property
2 27 owned by an association of war veterans that is leased for use
2 28 as a community center. The bill also allows the lessee of
2 29 exempt property to sublet the property, or portions thereof,
2 30 to any fraternal, business, or social organization for special
2 31 events without affecting the exemption.

2 32 The bill requires the board of supervisors of a county with
2 33 a population of more than 50,000 but not more than 51,000,
2 34 upon receipt of an application from the taxpayer, to refund
2 35 the property taxes paid in FY 2008=2009 on property that met
3 1 the requirements of the bill during that fiscal year. The
3 2 bill establishes a deadline for exemption claims on property
3 3 taxes due and payable in FY 2009=2010.

3 4 Code section 25B.7 does not apply to the provisions the
3 5 bill.

3 6 The bill takes effect upon enactment and applies
3 7 retroactively to property taxes due and payable in fiscal
3 8 years beginning on or after July 1, 2008.

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