

House Study Bill 543 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
VETERANS AFFAIRS BILL BY
CHAIRPERSON ALONS)

A BILL FOR

1 An Act exempting from the individual income tax and the
2 corporate income tax certain payments received in connection
3 with the federal medical foster home program, and including
4 retroactive applicability provisions.

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

1 Section 1. Section 422.7, Code 2014, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 57. Subtract, to the extent included,
4 payments received from a veteran resident for care provided
5 by a medical foster home caregiver to the veteran resident
6 in connection with the federal medical foster home program
7 governed by 38 C.F.R. §17.73 and 17.74. For purposes of
8 this subsection, "*medical foster home caregiver*" and "*veteran*
9 *resident*" mean the same as defined in 38 C.F.R. §17.73.

10 Sec. 2. Section 422.33, Code 2014, is amended by adding the
11 following new subsection:

12 NEW SUBSECTION. 23. Subtract, to the extent included,
13 payments received from a veteran resident for care provided
14 by a medical foster home caregiver to the veteran resident
15 in connection with the federal medical foster home program
16 governed by 38 C.F.R. §17.73 and §17.74. For purposes of
17 this subsection, "*medical foster home caregiver*" and "*veteran*
18 *resident*" mean the same as defined in 38 C.F.R. §17.73.

19 Sec. 3. RETROACTIVE APPLICABILITY. This Act applies
20 retroactively to January 1, 2014, for tax years beginning on
21 or after that date.

22 EXPLANATION

23 The inclusion of this explanation does not constitute agreement with
24 the explanation's substance by the members of the general assembly.

25 This bill exempts from the individual and corporate income
26 tax payments received from a veteran resident for care provided
27 by a medical foster home caregiver to the veteran resident
28 in connection with the federal medical foster home program
29 governed by 38 C.F.R. §17.73 and 17.74.

30 The federal medical foster home program is a program
31 administered by the United States department of veterans
32 affairs in which certain disabled veterans are placed in
33 private medical foster homes (homes) to receive lodging and
34 full-time care from medical foster home caregivers (caregiver).
35 In order for a home to qualify under the program it must be

1 occupied by the caregiver, owned or rented by the caregiver,
2 and must meet several safety and other requirements. The home
3 and the caregiver must be approved by the federal department of
4 veterans affairs. Payment for care provided by the caregiver
5 in the home is pursuant to a private agreement between the
6 caregiver and the veteran resident.

7 The bill applies retroactively to January 1, 2014, for tax
8 years beginning on or after that date.