

**Senate File 39 - Introduced**

SENATE FILE 39

BY ZAUN

**A BILL FOR**

1 An Act providing a property assessment adjustment for certain  
2 property of persons who have attained the age of sixty-five,  
3 providing a penalty, and including retroactive and other  
4 applicability provisions.

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

1 Section 1. NEW SECTION. 425B.1 Homestead assessed value  
2 adjustment — purpose.

3 Persons who own their homesteads and who meet the  
4 qualifications provided in this chapter are eligible for an  
5 adjustment in the assessed value of their homesteads, as  
6 provided in this chapter, to prevent an increase in such  
7 values.

8 Sec. 2. NEW SECTION. 425B.2 Definitions.

9 As used in this chapter, unless the context otherwise  
10 requires:

11 1. "*Assessed value*" means the actual value prior to any  
12 adjustment pursuant to section 441.21, subsection 4.

13 2. "*Base assessment year*" means the assessment year  
14 beginning in the base year.

15 3. "*Base year*" means the calendar year last ending before  
16 the claim is filed.

17 4. "*Claimant*" means a person filing a claim for adjustment  
18 under this chapter who has attained the age of sixty-five years  
19 on or before December 31 of the base year and is domiciled in  
20 this state at the time the claim is filed or at the time of the  
21 person's death in the case of a claim filed by the executor or  
22 administrator of the claimant's estate.

23 5. "*Homestead*" means the dwelling owned and actually used  
24 as a home by the claimant during any part of the base year  
25 and so much of the land surrounding it, including one or more  
26 contiguous lots or tracts of land, as is reasonably necessary  
27 for use of the dwelling as a home, and may consist of a part  
28 of a multidwelling or multipurpose building and a part of the  
29 land upon which it is built. It does not include personal  
30 property except that a manufactured or mobile home may be  
31 a homestead. Any dwelling or a part of a multidwelling or  
32 multipurpose building which is exempt from taxation does not  
33 qualify as a homestead under this chapter. A homestead must  
34 be located in this state. When a person is confined in a  
35 nursing home, extended-care facility, or hospital, the person

1 shall be considered as occupying or living in the person's  
2 homestead if the person is the owner of the homestead and the  
3 person maintains the homestead and does not lease, rent, or  
4 otherwise receive profits from other persons for the use of the  
5 homestead.

6 6. "*Owned*" means owned by an owner as defined in section  
7 425.11.

8 Sec. 3. NEW SECTION. **425B.3 Right to file a claim.**

9 The right to file a claim for an assessed value adjustment  
10 under this chapter may be exercised by the claimant or on  
11 behalf of a claimant by the claimant's legal guardian, spouse,  
12 or attorney, or by the executor or administrator of the  
13 claimant's estate. If a claimant dies after having filed a  
14 claim for adjustment, the amount of any adjustment shall be  
15 made as if the claimant had not died.

16 Sec. 4. NEW SECTION. **425B.4 Claim for adjustment.**

17 1. Subject to the limitations provided in this chapter,  
18 a claimant may annually claim an adjustment of the assessed  
19 value of the claimant's homestead for the base assessment year.  
20 The adjustment claim shall be filed with the county assessor  
21 between January 1 and February 15 immediately following  
22 the close of the base assessment year. However, in case of  
23 sickness, absence, or other disability of the claimant, or  
24 if in the judgment of the county assessor good cause exists,  
25 the county assessor may extend the time for filing a claim for  
26 adjustment through June 30 of the same calendar year.

27 2. The county assessor shall notify the department of  
28 revenue by March 1 of the number of claimants receiving  
29 adjustments under this chapter and the total amount of the  
30 reduced assessed values for the base assessment year.

31 Sec. 5. NEW SECTION. **425B.5 Adjustment — maximum tax**  
32 **dollars levied.**

33 If the claimant's assessed value in the base assessment year  
34 prior to an adjustment under this chapter is less than one  
35 hundred fifty thousand dollars or if the claimant's assessed

1 value for the assessment year preceding the base assessment  
2 year, if adjusted under this chapter, is less than one hundred  
3 fifty thousand dollars, the assessed value of the claimant's  
4 homestead in the base assessment year shall be adjusted, but  
5 not increased, to equal the assessed value, as such assessed  
6 value may have been adjusted pursuant to this chapter, in  
7 the assessment year preceding the base assessment year. If  
8 the amount of property taxes levied against the adjusted  
9 assessment exceeds the amount of property taxes levied against  
10 the property in the fiscal year for which taxes were first  
11 levied against an adjusted assessment under this chapter, the  
12 treasurer shall subtract the difference from the amount due.

13 Sec. 6. NEW SECTION. 425B.6 Administration.

14 The director of revenue shall make available suitable forms  
15 for claiming an assessed value adjustment with instructions  
16 for claimants. Each assessor and county treasurer shall make  
17 available the forms and instructions. The claim shall be in a  
18 form as the director may prescribe.

19 Sec. 7. NEW SECTION. 425B.7 Proof of claim.

20 1. Every claimant shall give the department of revenue, in  
21 support of the claim, reasonable proof of:

22 a. Age.

23 b. Changes of homestead.

24 c. Size and nature of the property claimed as the homestead.

25 2. The director of revenue may require any additional proof  
26 necessary to support a claim.

27 Sec. 8. NEW SECTION. 425B.8 Audit — denial.

28 If on the audit of a claim for adjustment under this chapter,  
29 the director of revenue determines the claim is not allowable,  
30 the director shall notify the claimant of the denial and the  
31 reasons for it. The director shall not deny a claim after  
32 three years from October 31 of the year in which the claim was  
33 filed. The director shall give notification to the county  
34 assessor of the denial of the claim and the county assessor  
35 shall instruct the county treasurer to proceed to collect the

1 tax that would have been levied on the applicable adjusted  
2 assessed value in the same manner as other property taxes  
3 due and payable are collected, if the property on which the  
4 adjustment was granted is still owned by the claimant.

5 Sec. 9. NEW SECTION. **425B.9 Waiver of confidentiality.**

6 1. A claimant shall expressly waive any right to  
7 confidentiality relating to all information available to the  
8 county assessor who shall hold the information confidential  
9 except that it may be used as evidence to disallow the assessed  
10 value adjustment.

11 2. The department of revenue may release information  
12 pertaining to a person's eligibility or claim for or receipt of  
13 the assessed value adjustment to an employee of the department  
14 of inspections and appeals in the employee's official conduct  
15 of an audit or investigation.

16 Sec. 10. NEW SECTION. **425B.10 False claim — penalty.**

17 A person who makes a false affidavit for the purpose of  
18 obtaining an adjustment in assessed value provided for in  
19 this chapter or who knowingly receives the adjustment without  
20 being legally entitled to it or makes claim for the adjustment  
21 in more than one county in the state without being legally  
22 entitled to it is guilty of a fraudulent practice. The claim  
23 for adjustment shall be disallowed in full and property tax  
24 shall be levied on the disallowed adjustment at the rate that  
25 would have been levied but for the adjustment. The director of  
26 revenue shall send a notice of disallowance of the claim.

27 Sec. 11. NEW SECTION. **425B.11 Statutes applicable.**

28 To the extent not otherwise contrary, the provisions of  
29 sections 425.30, 425.31, 425.32, and 425.37 apply to this  
30 chapter.

31 Sec. 12. **APPLICABILITY.** This Act applies retroactively to  
32 January 1, 2013, for assessment years beginning on or after  
33 that date and to the filing of claims on or after January 1,  
34 2014, for adjustments of assessed values.

35

**EXPLANATION**

1 This bill provides for an adjustment in the assessed value  
2 of a homestead, as defined in the bill, if the owner is a  
3 person who is 65 or older. The bill also limits the adjustment  
4 in assessed value to homesteads that have certain assessed  
5 valuations of less than \$150,000. If those qualifications are  
6 met, the assessed value of the homestead upon which property  
7 taxes are levied in a fiscal year is the same assessed value as  
8 for the previous fiscal year. The bill specifies that assessed  
9 value is that value prior to any rollback being applied.

10 The bill provides that a person who makes a false affidavit  
11 for the purpose of obtaining an adjustment, knowingly receives  
12 the adjustment without being legally entitled to it, or makes  
13 claim for the adjustment in more than one county without being  
14 legally entitled to it is guilty of a fraudulent practice and  
15 is subject to a criminal penalty.

16 The bill applies retroactively to January 1, 2013, for  
17 assessment years beginning on or after that date and applies to  
18 claims filed on or after January 1, 2014, for the adjustments.