

Senate File 103 - Introduced

SENATE FILE 103

BY ANDERSON

A BILL FOR

1 An Act relating to the disabled veteran homestead tax credit by
2 modifying eligibility criteria and including effective date
3 and applicability provisions.

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

1 Section 1. Section 425.15, subsection 1, unnumbered
2 paragraph 1, Code 2015, is amended to read as follows:

3 If the owner of a homestead allowed a credit under this
4 chapter is any of the following, the credit allowed on the
5 homestead from the homestead credit fund shall be ~~the entire~~
6 amount a percentage of the tax levied on the homestead that is
7 equivalent to the veteran's service-connected disability rating
8 percentage:

9 Sec. 2. Section 425.15, subsection 1, paragraphs b and c,
10 Code 2015, are amended to read as follows:

11 b. A veteran as defined in section 35.1 with a
12 service-connected disability rating ~~of one hundred percent~~, as
13 certified by the United States department of veterans affairs.

14 c. A former member of the national guard of any state
15 who otherwise meets the service requirements of section 35.1,
16 subsection 2, paragraph "b", subparagraph (2) or (7), with a
17 service-connected disability rating ~~of one hundred percent~~, as
18 certified by the United States department of veterans affairs.

19 Sec. 3. Section 425.15, subsection 3, Code 2015, is amended
20 by striking the subsection and inserting in lieu thereof the
21 following:

22 3. If a veteran's service-connected disability rating
23 percentage changes, the veteran shall provide written notice to
24 the assessor by July 1 following the date on which the rating
25 percentage is changed.

26 Sec. 4. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
27 immediate importance, takes effect upon enactment.

28 Sec. 5. APPLICABILITY. This Act applies to applications for
29 the homestead credit under chapter 425 filed on or after the
30 effective date of this Act.

31 EXPLANATION

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

34 Current Code section 425.15 provides a homestead credit to
35 the owner of a homestead for the full amount of tax levied

1 if the owner is any of the following: (1) a veteran of any
2 of the military forces of the United States who acquired the
3 homestead under specified federal programs; (2) a veteran
4 with a service-connected disability rating of 100 percent;
5 (3) a former member of the national guard of any state who
6 meets specified service requirements with a service-connected
7 disability rating of 100 percent; or (4) an individual who is a
8 surviving spouse or a child and who is receiving dependency and
9 indemnity compensation.

10 This bill modifies the eligibility criteria for the
11 credit by removing the requirement that the veteran's
12 service-connected disability rating be 100 percent and instead
13 provides that the credit allowed on the homestead shall
14 be a percentage of the tax levied on the homestead that is
15 equivalent to the veteran's service-connected disability rating
16 percentage.

17 The bill requires a veteran receiving the credit to provide
18 written notice to the assessor by July 1 if a veteran's
19 service-connected disability rating percentage changes.

20 The bill strikes a provision that makes recipients of the
21 disabled veteran homestead credit ineligible for other property
22 tax exemptions available to veterans.

23 The bill takes effect upon enactment and applies to
24 applications for the homestead credit under Code chapter 425
25 filed on or after the effective date of the bill.