

House File 2091 - Introduced

HOUSE FILE 2091

BY BUSH

A BILL FOR

1 An Act authorizing a property tax refund for certain taxpayers
2 with children enrolled in a nonpublic school and providing
3 penalties.

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

1 Section 1. NEW SECTION. 445.58 School district property
2 tax refund.

3 1. As used in this section, unless the context otherwise
4 requires:

5 a. "Full-time" means enrolled in the nonpublic school's
6 primary instructional curriculum and not counted in the
7 enrollment of a public school district under section 257.6
8 or otherwise receiving instruction or services from a public
9 school.

10 b. "Nonpublic school" means the same as defined in section
11 280.2.

12 c. "Owner" means an individual who owns the real property
13 or one or more individuals of the same household who own or
14 control a majority interest in the business entity, as defined
15 in section 501A.102, that owns the real property.

16 d. "Real property" means property subject to taxes defined
17 in section 445.1, including property taxed as real property
18 under section 427A.1.

19 e. "School district property taxes" means ad valorem
20 property taxes imposed by the school district in which the real
21 property in this state is located, but exclusive of delinquent
22 interest due on the real property.

23 2. For property taxes due and payable in fiscal years
24 beginning on or after July 1, 2023, the owner of real property
25 who has one or more children residing primarily with the owner
26 who are enrolled full-time in a nonpublic school shall be
27 eligible for a refund of school district property taxes paid on
28 the owner's real property that were due and payable during the
29 fiscal year that corresponds to the school year of enrollment
30 and which were paid by the owner or the owner's business
31 entity, as applicable.

32 3. An owner who wishes to receive a refund of school
33 district property taxes allowed under this section shall obtain
34 the appropriate forms for filing for the refund from the county
35 treasurer. The owner claiming the refund shall file a refund

1 request with the county treasurer that includes identification
2 of the qualifying real property and certification of the dates
3 of enrollment for each student for which the owner is a parent
4 or guardian for the applicable school year. Refund claims must
5 be filed annually by the owner.

6 4. A claim for a refund of school district property taxes
7 paid shall not be allowed unless the claim is filed by the
8 owner with the county treasurer between April 1 and May 1, both
9 dates inclusive, of the fiscal year during which the property
10 taxes are due and payable. The county treasurer shall certify
11 to the department of management on or before May 15 of each
12 year the total amount of refunds due for claims allowed.

13 5. *a.* The amount of the refund shall be the total amount
14 of school district property taxes paid by the owner or the
15 owner's business entity, as applicable, during the applicable
16 fiscal year. If, however, none of the owner's children were
17 enrolled full-time in a nonpublic school for at least one-half
18 of the nonpublic school's instructional calendar year, the
19 amount of the refund shall be one-half of the total amount of
20 school district property taxes paid by the owner or the owner's
21 business entity, as applicable.

22 *b.* Only one refund per household or business entity per
23 fiscal year shall be allowed under this section.

24 *c.* The amount of any claim for refund under this section
25 shall, if applicable, first be applied by the county treasurer
26 against any tax liability of the owner or the owner's business
27 entity, as applicable.

28 *d.* Upon certification by the county treasurer, each public
29 school district shall send to the county treasurer an amount
30 from the school district's general fund or other fund of the
31 school district to the county treasurer to pay all approved
32 refund requests.

33 *e.* A refund for school district property taxes paid by an
34 owner's business entity shall be paid to the business entity.

35 6. A claimant for a refund shall expressly waive any right

1 to confidentiality relating to school enrollment information
2 submitted in support of the claim or obtainable by the county
3 treasurer.

4 7. A person who makes a false claim for the purpose
5 of obtaining a refund provided for in this section or who
6 knowingly receives the refund without being legally entitled
7 to it is guilty of a fraudulent practice. The claim for refund
8 shall be disallowed in full and if the refund has been paid,
9 the amount shall be recovered in the manner provided in section
10 425.27.

11 8. Refunds issued under this section shall not modify a
12 school district's authorized budget under section 257.7 or
13 other provision of law and shall not result in an adjustment to
14 state aid received by the school district.

15 EXPLANATION

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

18 This bill establishes a property tax refund for certain real
19 property owners with children enrolled in a nonpublic school.
20 For property taxes due and payable in fiscal years beginning
21 on or after July 1, 2023, the owner of real property who has
22 one or more children residing primarily with the owner who are
23 enrolled full-time in a nonpublic school shall be eligible
24 for a refund of school district property taxes paid on the
25 owner's real property or the real property owned by a business
26 entity for which the individual owns or controls a majority
27 interest that were due and payable during the fiscal year that
28 corresponds to the school year of enrollment.

29 An owner claiming the refund shall file a refund request
30 with the county treasurer that includes identification of the
31 qualifying real property and certification of the dates of
32 enrollment for each student for which the owner is a parent or
33 guardian for the applicable school year. Refund claims must
34 be filed annually by the owner. A claim for a refund of school
35 district property taxes paid shall not be allowed unless the

1 claim is filed by the owner with the county treasurer between
2 April 1 and May 1 of the fiscal year during which the property
3 taxes are due and payable.

4 The amount of the refund shall be the total amount of school,
5 district property taxes paid by the owner or the owner's
6 business entity, as applicable, during the applicable fiscal
7 year. If, however, none of the owner's children were enrolled
8 full-time in a nonpublic school for at least one-half of the
9 nonpublic school's instructional calendar year, the amount of
10 the refund shall be one-half of the total amount of school
11 district property taxes paid by the owner or the owner's
12 business entity, as applicable. A refund for school district
13 property taxes paid by an owner's business entity shall be paid
14 to the business entity.

15 The amount of any claim for refund shall, if applicable,
16 first be applied by the county treasurer against any tax
17 liability of the owner or the owner's business entity, as
18 applicable. A claimant shall expressly waive any right to
19 confidentiality relating to school enrollment information
20 submitted in support of the claim or obtainable by the county
21 treasurer.

22 A person who makes a false claim for the purpose of obtaining
23 a refund or who knowingly receives the refund without being
24 legally entitled to it is guilty of a fraudulent practice.

25 The bill provides that refunds issued shall not modify a
26 school district's authorized budget and shall not result in an
27 adjustment to state aid received by the school district.