

**Senate File 2089 - Introduced**

SENATE FILE 2089

BY ZAUN

**A BILL FOR**

1 An Act modifying provisions relating to the additional property  
2 tax credit for elderly persons and including applicability  
3 provisions.

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

1 Section 1. Section 425.17, subsection 2, paragraph a,  
2 subparagraphs (1) and (3), Code 2022, are amended to read as  
3 follows:

4 (1) ~~A person filing a claim for credit under this subchapter~~  
5 ~~who has attained the age of sixty five years but who has~~  
6 ~~not attained the age of seventy years on or before December~~  
7 ~~31 of the base year,~~ a person filing a claim for credit or  
8 reimbursement under **this subchapter** who is totally disabled  
9 and was totally disabled on or before December 31 of the base  
10 year, or a person filing a claim for reimbursement under this  
11 subchapter who has attained the age of sixty-five years on or  
12 before December 31 of the base year and who is domiciled in  
13 this state at the time the claim is filed or at the time of the  
14 person's death in the case of a claim filed by the executor or  
15 administrator of the claimant's estate.

16 (3) A person filing a claim for credit under **this subchapter**  
17 who has attained the age of seventy sixty-five years on or  
18 before December 31 of the base year, ~~who has a household income~~  
19 ~~of less than two hundred fifty percent of the federal poverty~~  
20 ~~level, as defined by the most recently revised poverty income~~  
21 ~~guidelines published by the United States department of health~~  
22 ~~and human services~~ whose homestead has an actual value of five  
23 hundred thousand dollars or less, and who is domiciled in this  
24 state at the time the claim is filed or at the time of the  
25 person's death in the case of a claim filed by the executor or  
26 administrator of the claimant's estate.

27 Sec. 2. APPLICABILITY. This Act applies to claims under  
28 chapter 425, subchapter II, filed on or after January 1, 2023.

29

EXPLANATION

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

32 This bill modifies the eligibility for and the calculation  
33 of the amount of the property tax credit under Code chapter  
34 425, subchapter II.

35 Under current law, a person filing a claim for the property

1 tax credit who is at least 65 years of age, meets certain  
2 income requirements, and does not meet other age and income  
3 eligibility criteria, is eligible for a credit based on income  
4 equal to specified percentages of property taxes due under  
5 the schedule in Code section 425.23(1)(a), but not to exceed  
6 \$1,000. However, if the person filing a claim for the property  
7 tax credit is at least 70 years of age and has a household  
8 income of less than 250 percent of the federal poverty level,  
9 the tentative credit amount is equal to the greater of the  
10 following: (1) the amount of the credit as calculated under  
11 the schedule of credit amounts specified in Code section  
12 425.23(1)(a) as if the claimant was an eligible claimant for  
13 a credit under that provision; and (2) the difference between  
14 the actual amount of property taxes due on the homestead during  
15 the applicable fiscal year minus the actual amount of property  
16 taxes due on the homestead based on a full assessment during  
17 the first fiscal year for which the claimant filed for a credit  
18 calculated under the Code chapter and if the claimant has filed  
19 for the credit for each of the subsequent fiscal years after  
20 the first credit claimed.

21 The bill modifies the eligibility for and calculation of  
22 the credit under current law available to claimants who have  
23 reached the age of 65 or more by limiting the credit to owners  
24 whose homestead value is \$500,000 or less, by striking the  
25 maximum income level of 250 percent of the federal poverty  
26 level, and by imposing the credit calculation under current  
27 law for claimants 70 years of age and over to all claimants 65  
28 years of age and older.

29 The bill applies to claims under Code chapter 425,  
30 subchapter II, filed on or after January 1, 2023.