

Senate File 263 - Introduced

SENATE FILE 263

BY R. SMITH

A BILL FOR

1 An Act relating to the filing date and approval for disabled
2 veteran homestead property tax credits and including
3 effective date provisions.

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

1 Section 1. Section 425.1, subsection 4, Code 2021, is
2 amended to read as follows:

3 4. Annually the department of revenue shall certify to
4 the county auditor of each county the credit and its amount
5 in dollars. Each county auditor shall then enter the credit
6 against the tax levied on each eligible homestead in each
7 county payable during the ensuing year, designating on the tax
8 lists the credit as being from the homestead credit fund, and
9 credit shall then be given to the several taxing districts in
10 which eligible homesteads are located in an amount equal to the
11 credits allowed on the taxes of the homesteads. The amount
12 of credits certified and amounts given to the several taxing
13 districts shall be adjusted, if necessary, as the result of
14 claims filed and approved under section 425.2, subsection 1,
15 paragraph "c", following the date for certification. The amount
16 of credits shall be apportioned by each county treasurer to the
17 several taxing districts as provided by law, in the same manner
18 as though the amount of the credit had been paid by the owners
19 of the homesteads. However, the several taxing districts shall
20 not draw the funds so credited until after the semiannual
21 allocations have been received by the county treasurer, as
22 provided in [this chapter](#). Each county treasurer shall show
23 on each tax receipt the amount of credit received from the
24 homestead credit fund.

25 Sec. 2. Section 425.2, subsection 1, Code 2021, is amended
26 to read as follows:

27 1. a. A person who wishes to qualify for the credit allowed
28 under [this chapter](#) shall obtain the appropriate forms for
29 filing for the credit from the assessor. The person claiming
30 the credit shall file a verified statement and designation of
31 homestead with the assessor for the year for which the person
32 is first claiming the credit.

33 b. The claim shall be filed not later than July 1 of the
34 year for which the person is claiming the credit. A claim
35 filed after July 1 of the year for which the person is claiming

1 the credit shall be considered as a claim filed for the
2 following year.

3 c. (1) For a person filing a claim under this subchapter
4 who qualifies for the credit amount provided under section
5 425.15 and who is approved under subparagraph (2), the credit
6 shall be applicable immediately to property tax payments due
7 and payable beginning with the fiscal year that the claim
8 was filed and for which the person claiming the credit is
9 responsible for payment on or after the date of filing.

10 (2) In order to receive the credit for property taxes due
11 and payable in the fiscal year that the claim was filed, a
12 claimant satisfying the requirements of subparagraph (1) shall
13 file a petition, duly sworn to, with the board of supervisors,
14 requesting approval of the credit for that fiscal year. The
15 board of supervisors may, if in the board's judgment it is for
16 the best interests of the public and the claimant, approve the
17 request.

18 Sec. 3. Section 425.3, subsection 3, Code 2021, is amended
19 to read as follows:

20 3. Not later than July 6 of each year, or for claims filed
21 under section 425.2, subsection 1, paragraph "c", as soon as
22 practicable following the date of approval, the assessor shall
23 remit the statements and designation of homesteads to the
24 county auditor with the assessor's recommendation for allowance
25 or disallowance. If the assessor recommends disallowance
26 of a claim, the assessor shall submit the reasons for the
27 recommendation, in writing, to the county auditor.

28 Sec. 4. Section 425.4, Code 2021, is amended to read as
29 follows:

30 **425.4 Certification to treasurer.**

31 All claims which have been allowed by the board of
32 supervisors shall be certified on or before August 1, in each
33 year, or for claims filed under section 425.2, subsection
34 1, paragraph "c", as soon as practicable following the date
35 of approval, by the county auditor to the county treasurer,

1 which certificates shall list the total amount of dollars,
2 listed by taxing district in the county, due for homestead
3 tax credits claimed and allowed. The county treasurer shall
4 forthwith certify to the department of revenue the total amount
5 of dollars, listed by taxing district in the county, due for
6 homestead tax credits claimed and allowed.

7 Sec. 5. EFFECTIVE DATE. This Act, being deemed of immediate
8 importance, takes effect upon enactment.

9

EXPLANATION

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

12 Current Code section 425.2 provides that a person who wishes
13 to receive the homestead property tax credit must file the
14 claim with the assessor not later than July 1 of the assessment
15 year for which the person is claiming the credit and a claim
16 filed after July 1 of the assessment year for which the person
17 is claiming the credit shall be considered as a claim filed
18 for the following year. Consequently, for example, a claim
19 filed on July 1, 2021, would be allowed for the assessment year
20 beginning January 1, 2021, for property taxes calculated using
21 valuations from that assessment year that are due and payable
22 during the fiscal year beginning July 1, 2022, and ending June
23 30, 2023.

24 This bill modifies the timeline for which a homestead credit
25 is allowed if the person claiming the credit is eligible for
26 the disabled veteran homestead credit amount under Code section
27 425.15. For such a claimant, if approved by the board of
28 supervisors, the credit shall be applicable immediately to
29 property tax payments due and payable beginning with the fiscal
30 year that the claim was filed and for which the person claiming
31 the credit is responsible for payment on or after the date of
32 filing. For example, a claim filed on July 1, 2021, would be
33 allowed for property taxes that are due and payable during the
34 fiscal year beginning July 1, 2021, and ending June 30, 2022.

35 The bill takes effect upon enactment.