

# House Study Bill 557 - Introduced

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
ECONOMIC GROWTH AND  
TECHNOLOGY BILL BY  
CHAIRPERSON SORENSEN)

## A BILL FOR

1 An Act removing the maximum annual amount of real estate  
2 transfer tax receipts that may be transferred into the  
3 housing trust fund.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 428A.8, subsection 3, Code 2024, is  
2 amended by striking the subsection.

3 EXPLANATION

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

6 The housing trust fund (HTF) was established for the  
7 development and preservation of affordable housing for  
8 low-income people in the state and for the Iowa mortgage help  
9 initiative.

10 Each month county recorders remit 82.75 percent of the  
11 real estate transfer tax (RETT) receipts to the department  
12 of revenue (DOR), and deposit the remaining 17.25 percent of  
13 the RETT receipts in the county general fund. Of the RETT  
14 receipts transferred to DOR, DOR transfers 65 percent to the  
15 state general fund, 30 percent to the HTF, and 5 percent to the  
16 shelter assistance fund. Currently, DOR may deposit a maximum  
17 of \$7 million of RETT receipts into the HTF per year. Any  
18 amounts over \$7 million are deposited into the state general  
19 fund.

20 This bill removes the \$7 million annual maximum that may be  
21 deposited into the HTF.