

Sec. 17. Sections 321.1, 321.18, 321.20, 321.24, 321.30, 321.45, 321.46, 321.49, 321.50, 321.57, 321.101, 321.104, 321.123, and 423.4, Code 2001, are amended by striking the words “manufactured housing” and inserting in lieu thereof the words “manufactured home”.

Sec. 18. Sections 321.46, 321.49, 321.57, 321.58, and 435.27, Code 2001, are amended by the<sup>3</sup> striking the words “mobile home dealer” or “dealer” and inserting in lieu thereof the words “manufactured home retailer”.

Approved May 21, 2001

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## CHAPTER 154

### HOMESTEAD AND FAMILY FARM TAX CREDITS — MISCELLANEOUS CHANGES

H.F. 712

**AN ACT** relating to the homestead tax credit and to the annual filing for the family farm tax credit, to the notification to the assessor of the change in ownership or the person actively engaged in farming the tract of agricultural land for which the family farm tax credit is allowed, providing a penalty, and including effective and applicability date provisions.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 425.7, subsection 3, unnumbered paragraph 2, Code 2001, is amended to read as follows:

If a claim is disallowed by the director of revenue and finance and not appealed to the state board of tax review or appealed to and upheld by the state board of tax review and a petition for judicial review is not filed with respect to the disallowance, any amounts of credits allowed and paid from the homestead credit fund including the penalty, if any, become a lien upon the property on which credit was originally granted, if still in the hands of the claimant, and not in the hands of a bona fide purchaser, and any amount so erroneously paid including the penalty, if any, shall be collected by the county treasurer in the same manner as other taxes and the collections shall be returned to the department of revenue and finance and credited to the homestead credit fund. The director of revenue and finance may institute legal proceedings against a homestead credit claimant for the collection of payments made on disallowed credits and the penalty, if any. If a person makes a false claim or affidavit with fraudulent intent to obtain the homestead credit, the person is guilty of a fraudulent practice and the claim shall be disallowed in full. If the credit has been paid, the amount of the credit plus a penalty equal to twenty-five percent of the amount of credit plus interest, at the rate in effect under section 421.7, from the time of payment shall be collected by the county treasurer in the same manner as other property taxes, penalty, and interest are collected and when collected shall be paid to the director of revenue and finance. If a homestead credit is disallowed and the claimant failed to give written notice to the assessor as required by section 425.2 when the property ceased to be used as a homestead by the claimant, a civil penalty equal to ~~fifty~~ five percent of the amount of the disallowed credit is assessed against the claimant.

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<sup>3</sup> According to enrolled Act

Sec. 2. Section 425A.4, subsection 1, Code 2001, is amended to read as follows:

1. To apply for the credit, the person shall ~~each year between July 1 and October 15~~ deliver to the county assessor a verified statement and designation of the tracts of agricultural land for which the credit is claimed. The assessor shall return the statement and designation on or before November 15 of each year to the county board of supervisors with a recommendation for allowance or disallowance. A claim for credit filed after November 1 of the year shall be considered as a claim filed for the following year.

Sec. 3. Section 425A.4, Code 2001, is amended by adding the following new subsections:

NEW SUBSECTION. 3. Upon the filing and allowance of the claim, the claim shall be allowed on that tract for successive years without further filing as long as the property is legally or equitably owned by that person or that person's spouse on July 1 of each of those successive years, and the designated person who is actively engaged in farming remains the same during these years. When the property is sold or transferred, the buyer or transferee who wishes to qualify shall file for the credit. However, when the property is transferred as part of a distribution made pursuant to chapter 598, the transferee who is the spouse retaining ownership of the property is not required to file for the credit. In the case where the owner remains the same but the person who is actively engaged in farming changes, the owner shall refile for the credit. The owner shall provide written notice if the person actively engaged in farming changes.

NEW SUBSECTION. 4. The assessor shall retain a permanent file of current family farm credit claims filed in the assessor's office.

The county recorder shall give notice to the assessor of each transfer of title filed in the recorder's office. The notice shall describe the tract of agricultural land transferred, the name of the person transferring the title to the tract, and the name of the person to whom title to the tract has been transferred.

Sec. 4. Section 425A.8, Code 2001, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A person who fails to notify the assessor of a change in the person who is actively engaged in farming the tract for which the credit under section 425A.3, is allowed shall be liable for the amount of the credit plus a penalty equal to five percent of the amount of the credit. The amounts shall be collected by the county treasurer in the same manner as other property taxes and any penalty are collected and when collected shall be paid to the director of revenue and finance.

Sec. 5. Section 425.14, Code 2001, is repealed.

Sec. 6. This Act takes effect July 1, 2001, and applies to claims for homestead tax credits filed or on file and for family farm tax credits filed on or after that date.

Approved May 21, 2001