

**CHAPTER 1106**

## INJURED VETERANS GRANT PROGRAM

S.F. 2312

**AN ACT** providing grants on behalf of veterans seriously injured in a combat zone, providing income tax exclusions, and including an effective date and retroactive applicability provision.

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

Section 1. NEW SECTION. 35A.14 INJURED VETERANS GRANT PROGRAM.

1. For the purposes of this section, “veteran” means a resident of this state who is or was a member of the national guard, reserve, or regular component of the armed forces of the United States who has served on active duty at any time after September 11, 2001, and, if discharged, was discharged under honorable conditions.

2. An injured veterans grant program is created under the control of the department for the purpose of providing grants to eligible injured veterans. Providing grants to eligible injured veterans pursuant to this section is deemed to serve a vital and valid public purpose of the state by assisting injured veterans and their families.

3. The department may receive and accept donations, grants, gifts, and contributions from any public or private source for the purpose of providing grants under this section. Moneys received by the department pursuant to this subsection shall be deposited in an injured veterans trust fund which shall be created in the state treasury under the control of the department. Moneys credited to the trust fund shall be<sup>1</sup> appropriated to the department for the purpose of providing injured veterans grants under this section and shall not be transferred, used, obligated, appropriated, or otherwise encumbered, except as provided in this section. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the trust fund shall be credited to the trust fund.

4. Moneys appropriated to or received by the department for providing injured veterans grants under this section may be expended for grants of up to ten thousand dollars to a seriously injured veteran to provide financial assistance to the veteran so that family members of the veteran may be with the veteran during the veteran’s recovery from an injury received in the line of duty in a combat zone or in a zone where the veteran was receiving hazardous duty pay after September 11, 2001.

5. The department shall adopt rules governing the distribution of grants under this section in accordance with the following:

a. Grants shall be paid in increments of two thousand five hundred dollars, up to a maximum of ten thousand dollars upon proof that the veteran has been evacuated from the operational theater in which the veteran was injured to a military hospital for an injury received in the line of duty and shall continue to be paid, at thirty-day intervals, up to the maximum amount, so long as the veteran is hospitalized or receiving medical care or rehabilitation services authorized by the military and the presence or assistance of family members is necessary.

b. Proof of continued medical care or rehabilitation services may include any reasonably reliable documentation showing that the veteran is receiving continued medical or rehabilitative care as a result of qualifying injuries. Proof that the injury occurred in the line of duty shall be made based upon the circumstances of the injury known at the time of evacuation from the combat zone or zone in which the veteran was receiving hazardous duty pay.

c. Grants for veterans injured after September 11, 2001, but prior to the effective date of this Act shall be payable, upon a showing that the veteran would have been eligible for payment had the injury occurred on or after the effective date of this Act.

<sup>1</sup> See chapter 1185, §115 herein

Sec. 2. Section 422.7, Code Supplement 2005, is amended by adding the following new subsections:

NEW SUBSECTION. 45. Subtract, to the extent included, the amount of any grant provided pursuant to the injured veterans grant program pursuant to section 35A.14.

NEW SUBSECTION. 46. Subtract, to the extent not otherwise deducted in computing adjusted gross income, the amounts paid by the taxpayer to the department of veterans affairs for the purpose of providing grants under the injured veterans grant program established in section 35A.14. Amounts subtracted under this subsection shall not be used by the taxpayer in computing the amount of charitable contributions as defined by section 170 of the Internal Revenue Code.

Sec. 3. 2005 Iowa Acts, chapter 175, section 4, subsection 3, as enacted by 2006 Iowa Acts, House File 2080<sup>2</sup>, section 3, is amended to read as follows:

3. ~~VETERANS APPRECIATION~~ INJURED VETERANS GRANT PROGRAM

For implementation of a new ~~veterans appreciation~~ injured veterans grant program, contingent upon enactment of law by the Eighty-first General Assembly, 2006 Session, codifying the new program requirements in chapter 35A, for providing ~~hardship~~ grants to military veterans seriously injured in a combat zone since September 11, 2001:

..... \$ 1,000,000

If the general assembly enacts law codifying a new fund or other requirements for the new program for which the appropriation is made in this subsection, then notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year. However, if the general assembly does not enact such law, the appropriation made in this subsection shall revert as provided in section 8.33.

Sec. 4. EFFECTIVE DATE — RETROACTIVE APPLICABILITY.

1. The section of this Act creating section 35A.14, being deemed of immediate importance, takes effect upon enactment and is retroactively applicable to veterans seriously injured after September 11, 2001, and is applicable on and after that date.

2. The section of this Act amending section 422.7, being deemed of immediate importance, takes effect upon enactment and is retroactively applicable to January 1, 2006, and is applicable for tax years beginning on and after that date.

Approved May 8, 2006

<sup>2</sup> Chapter 1167 herein