

CHAPTER 1117

PROPERTY TAX — HOMESTEAD CREDIT FOR DISABLED VETERANS

S.F. 2352

AN ACT relating to the additional homestead credit for certain disabled veterans and including effective date and applicability provisions.

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

Section 1. Section 425.15, Code 2014, is amended to read as follows:

425.15 Disabled veteran tax credit.

1. If the owner of a homestead allowed a credit under this chapter is a ~~any of the following~~, the credit allowed on the homestead from the homestead credit fund shall be the entire amount of the tax levied on the homestead:

a. A veteran of any of the military forces of the United States, who acquired the homestead under 38 U.S.C. §21.801, 21.802, or 38 U.S.C. §2101, 2102;¹

b. A veteran as defined in section 35.1 with a service-connected disability rating of one hundred percent, as certified by the United States department of veterans affairs.

c. ~~the credit allowed on the homestead from the homestead credit fund shall be the entire amount of the tax levied on the homestead~~ A former member of the national guard of any state who otherwise meets the service requirements of section 35.1, subsection 2, paragraph “b”, subparagraph (2) or (7), with a service-connected disability rating of one hundred percent, as certified by the United States department of veterans affairs.

d. An individual who is a surviving spouse or a child and who is receiving dependency and indemnity compensation pursuant to 38 U.S.C. §1301 et seq.

2. a. ~~The~~ For an owner described in subsection 1, paragraph “a”, “b”, or “c”, the credit allowed shall be continued to the estate of ~~a veteran~~ an owner who is deceased or the surviving spouse and any child, as defined in section 234.1, who are the beneficiaries of a deceased veteran owner, so long as the surviving spouse remains unmarried. ~~This section is not applicable to the holder of title to any homestead whose annual income, together with that of the titleholder’s spouse, if any, for the last preceding twelve-month income tax accounting period exceeds thirty five thousand dollars. For the purpose of this section “income” means taxable income for federal income tax purposes plus income from securities of state and other political subdivisions exempt from federal income tax.~~

b. An individual described in subsection 1, paragraph “d”, is no longer eligible for the credit if the individual marries or upon termination of dependency and indemnity compensation under 38 U.S.C. §1301 et seq.

3. ~~A veteran~~ An owner or a beneficiary of a veteran an owner who elects to secure the credit provided in this section is not eligible for any other real property tax exemption provided by law for veterans of military service.

4. If ~~a veteran~~ an owner acquires a different homestead, the credit allowed under this section may be claimed on the new homestead unless the ~~veteran~~ owner fails to meet the other requirements of this section.

Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 3. APPLICABILITY. This Act applies to applications for the disabled veteran tax credit filed on or after the effective date of this Act.

Approved May 26, 2014

¹ See chapter 1141, §22 herein