

425.40 Low-income fund created.

1. A low-income tax credit and reimbursement fund is created. Within the low-income tax credit and reimbursement fund, a rent reimbursement account is created under the control of the department of human services and a tax credit account is created under the control of the department of revenue. Amounts appropriated to the fund shall first be credited to the rent reimbursement account.

2. *a.* The director of human services shall use amounts credited to the rent reimbursement account for a fiscal year to pay all claims for reimbursement of rent constituting property taxes paid for claimants described in [section 425.17, subsection 2](#), paragraph “a”, subparagraph (2). If the amount appropriated for purposes of [this section](#) for a fiscal year and credited to the rent reimbursement account is insufficient to pay all claims in full, the director of human services shall pay all such claims on a pro rata basis.

b. If the amount appropriated for purposes of [this section](#) for a fiscal year and credited to the rent reimbursement account exceeds the amount necessary to pay in full all reimbursement claims for the fiscal year, the department of human services shall transfer such excess amount to the department of revenue for deposit in the tax credit account. The department of revenue shall use any amounts credited to the tax credit account for a fiscal year to pay to the counties all claims for credit for property taxes due for the fiscal year, or if such amount is insufficient, to pay to the counties all such claims on a pro rata basis.

3. In order for the director of revenue or the director of human services to carry out the requirements of [subsection 2](#), notwithstanding any provision to the contrary in [this subchapter](#), claims for reimbursement for rent constituting property taxes paid filed before May 1 of the fiscal year shall be eligible to be paid in full during the fiscal year and those claims filed on or after May 1 of the fiscal year shall be eligible to be paid during the following fiscal year and the director of revenue is not required to make payments to counties for the property tax credit before June 15 of the fiscal year.

93 Acts, ch 180, §9, 22; 97 Acts, ch 23, §48; 2003 Acts, ch 145, §286; 2018 Acts, ch 1041, §127; 2021 Acts, ch 41, §34, 36; 2021 Acts, ch 174, §20, 34, 39

Referred to in [§25B.7, 425.23](#)