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## BUDGET UNIT BRIEF – FY 2024

Fiscal Services Division

July 1, 2023



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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

## Rent Reimbursement

### Purpose and History

The Rent Reimbursement appropriation provides monetary relief to low-income elderly persons or persons with a disability and is available to taxpayers who are at least 23 years old or the head of household with a maximum income threshold. The original provisions were added to the [Homestead Tax Credit Act](#) in 1974. A claimant who lives in Iowa and pays rent during any portion of the base year (the calendar year preceding the year the claim is filed) qualifies for reimbursement for rent constituting property taxes paid. Beginning in calendar year 2000, a \$16,500 income limitation has been annually adjusted for inflation, and “household” was redefined to include only the claimant and the claimant’s spouse when living together. Each eligible household member living in the same residence (excluding a husband and wife) may file a separate claim for rent reimbursement based on the proportion of the household member’s individual income paid for rent.

The appropriation was previously funded through a standing unlimited General Fund appropriation to the [Iowa Department of Revenue](#) (IDR) for the Elderly and Disabled Tax Credit; however, 2021 Iowa Acts, [chapter 41](#) (Rent Reimbursement Act), transferred responsibility for Rent Reimbursement to the [Iowa Department of Health and Human Services](#) (HHS).

### Funding — State General Fund

A \$13.3 million General Fund appropriation to the HHS for Rent Reimbursement was made beginning in FY 2023.

### Related Statutes and Administrative Rules

Iowa Code chapter [425](#)

Iowa Administrative Code [441—62](#)

### Budget Unit Number

41308510001

Doc ID 1367190

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### More Information

Iowa HHS Rent Reimbursement: [hhs.iowa.gov/rent-reimbursement](https://hhs.iowa.gov/rent-reimbursement)  
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