

HOMESTEAD CREDIT FOR CERTAIN DISABLED VETERANS

Prior Law

Veterans of any branch of the U.S. military who acquired a homestead under 38 U.S.C. sections 21.801, 21.802, or 38 U.S.C. sections 2101, 2102 were eligible for a homestead tax credit equal to the entire tax value assessed to the homestead.

New Provisions

Several new categories of veterans have been added to those eligible for the homestead tax credit. They are:

- Veterans (as defined in Iowa Code section 35.1) of any branch of the U.S. Military with a service-connected disability rating of 100%, as certified by the U.S. Department of Veterans Affairs.
- Former members of the national guard of any state, who otherwise meet the Iowa definition of veteran, with a service-connected disability rating of 100%, as certified by the U.S. Department of Veterans Affairs.
- Surviving spouses and children of veterans who are receiving dependency and indemnity compensation under 38 U.S.C. section 1301 *et seq.*

For owners who are veterans (but not a surviving spouse or child) the credit can pass through the estate of deceased owners to their beneficiaries, so long as the surviving spouse remains unmarried.

Surviving spouses and children of deceased veterans can no longer claim the credit once they marry or stop receiving federal dependency and indemnity compensation.

The word “veteran” when used to refer to the owner of the property, has been changed to “owner” throughout the section because surviving spouses and children of deceased veterans may now receive the credit as well.

Section Amended

Section 1 of 2014 Iowa Acts Senate File 2352 amends section 425.15, Code 2014.

Effective Date

May 26, 2014