

HOMESTEAD CREDIT FOR CERTAIN DISABLED VETERANS

Prior Law

Owners of homesteads were eligible for a homestead tax credit equal to the entire tax value assessed to the homestead if they fell into one of the following categories:

- Veterans of any of the military forces of the United States who acquired the homestead under 38 U.S.C. Sections 21.801, 21.802 or 38 U.S.C. Sections 2101, 2102;
- 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; and
- Surviving spouses and children of veterans who are receiving dependency and indemnity compensation under 38 U.S.C. section 1301 *et seq.*

New Provisions

The Act modified the eligible owners in the following ways:

- Veterans or former members of the national guard who qualify by having a service-connected disability must have a permanent disability rating to be eligible.
- Veterans or former members of the national guard who do not have a service-connected disability rating of 100%, but have a permanent and total disability rating based on individual employability and are paid at the 100% disability rate, are also eligible for the credit.
- Surviving spouses and children receiving dependency and indemnity compensation are eligible only if their compensation is certified by the U.S. Department of Veterans Affairs.
- Surviving spouses who remarry remain eligible for the credit as long as they continue to receive dependency and indemnity compensation as certified by the United States Department of Veterans Affairs.
- HF 616 amends HF 166 to provide that veterans who qualify under the new language, and who apply for the credit before July 1, 2015, shall receive the credit for fiscal year 2015, taxes due and payable in 2015 and 2016.

Section Amended _____

2015 Iowa Acts House File 166 amends Section 425.15, Code 2015. House File 616 amends House File 166, section 6.

Effective Date _____

HF 166: March 5, 2015; HF 616: June 18, 2015, retroactive to March 5, 2015