

## **CLARIFICATION OF PROPERTY TAX EXEMPTIONS FOR VETERANS ASSOCIATIONS**

### **Prior Law** \_\_\_\_\_

Property owned by associations of war veterans and devoted entirely to the association's use, and not used for pecuniary profit, are exempt from property taxes. The statute specifically states that the operation of bingo games on the premises does not remove the exemption as long as the profits are used for the legitimate purposes of the organization.

### **New Provisions** \_\_\_\_\_

The exemption and the exception allowing the associations to hold bingo games on the premises still apply. However, the legislature added language clarifying that an association's property is still exempt if even if the organization sometimes leases or rents the property, so long as they do not charge more than \$250 per lease or rental and the proceeds are used only for the legitimate purposes of the organization.

### **Section Amended** \_\_\_\_\_

Section 6 of 2014 Iowa Acts Senate File 303 amends Section 427.1, subsection 5, Code 2014.

### **Effective Date** \_\_\_\_\_

Retroactive to January 1, 2014, for tax years beginning on or after that date.