

March 30, 1951.
Sifting Committee.

House File 622
By TAX REVISION COMMITTEE.

Passed House, Date

Vote: Ayes..... Nays.....

Passed Senate, Date

Vote: Ayes..... Nays.....

Approved.....

A BILL FOR

An Act to amend section four hundred twenty-seven point six (427.6), Code 1950, relating to the allowance of the military service tax exemption and to provide by statute specific dates within which real property must be owned by a veteran to be eligible for the military service tax exemption.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. Section four hundred twenty-seven point six
2 (427.6), Code 1950, is hereby amended by inserting after the
3 paragraph ending on line eleven (11) the following:
4 "Should the title to any homestead or designated real
5 property be transferred by death, deed, contract or otherwise
6 from any claimant to any person other than an eligible claimant
7 as defined in section four hundred twenty-seven point four
8 (427.4) before July 1 of any year, no exemption shall be
9 allowed upon such property for such year, but ownership of such
10 property on July 1 of any year shall make such property eligible
11 for the exemption for the entire year. The board of supervisors
12 shall direct the auditor to cancel all exemptions where it
13 appears that title to such property has been transferred from
14 a claimant prior to July 1 in any year.

EXPLANATION OF H. F. 622

The present statute does not specifically provide the dates during which real property must be owned by a veteran in order to be entitled to the military service tax exemption. In the present administration of this statute, the exemption upon property is cancelled if such property has been sold by a veteran prior to the statutory date of levy, such ruling being made in line with supreme court decisions in analogous situations holding that property must be in the hands of a person entitled to the exemption on the date of levy in order to be qualified for a tax exemption. The result of this policy is that a veteran who trades or exchanges homes through the month of July or August loses his military service tax exemption for that year, since the exemption is cancelled on his former property and he cannot make application for exemption upon his new property after July 1st. The effect of this bill would be to allow an exemption where the property is owned for six months in the year.