

JAN 14 2002
BANK AND MEANS

HOUSE FILE 2030
BY SMITH

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the allowance of the military service tax
2 exemption for mobile or manufactured homes subject to the
3 annual square foot tax and including an applicability date
4 provision.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HF
2030

1 Section 1. Section 25B.7, subsection 2, paragraph c, Code
2 2001, is amended to read as follows:

3 c. Military service property tax credit and exemption
4 pursuant to chapter 426A, to the extent of six dollars and
5 ninety-two cents per thousand dollars of assessed value or
6 three and ninety-five hundredths cents per square foot of the
7 exempt property.

8 Sec. 2. Section 426A.2, Code 2001, is amended to read as
9 follows:

10 426A.2 MILITARY SERVICE TAX CREDIT.

11 The moneys shall be apportioned each year so as to replace
12 all or a portion of the tax which would be due on property
13 eligible for military service tax exemption in the state, if
14 the property were subject to taxation, the amount of the
15 credit to be not more than ~~six~~ either of the following:

16 1. Six dollars and ninety-two cents per thousand dollars
17 of assessed value of property which would be subject to the
18 tax, except for the military service tax exemption.

19 2. Three and ninety-five hundredths cents per square foot
20 of a mobile or manufactured home subject to the annual square
21 foot tax under section 435.22 which would be subject to the
22 tax, except for the military service tax exemption.

23 Sec. 3. Section 426A.11, subsections 1 and 2, Code
24 Supplement 2001, are amended to read as follows:

25 1. a. The property, not to exceed two thousand seven
26 hundred seventy-eight dollars in taxable value of any veteran,
27 as defined in section 35.1, of the First World War.

28 b. The mobile or manufactured home subject to the annual
29 square foot tax under section 435.22, not to exceed four
30 hundred eighty-six and fifteen hundredths square feet, of any
31 veteran, as defined in section 35.1, of the First World War.

32 2. a. The property, not to exceed one thousand eight
33 hundred fifty-two dollars in taxable value of an honorably
34 separated, retired, furloughed to a reserve, placed on
35 inactive status, or discharged veteran, as defined in section

1 35.1.

2 b. The mobile or manufactured home subject to the annual
3 square foot tax under section 435.22, not to exceed three
4 hundred twenty-four and ten hundredths square feet, of an
5 honorably separated, retired, furloughed to a reserve, placed
6 on inactive status, or discharged veteran, as defined in
7 section 35.1.

8 Sec. 4. Section 435.22, subsection 1, Code Supplement
9 2001, is amended to read as follows:

10 1. Multiply After deduction of the military service tax
11 exemption, if claimed and allowed, multiply the number of
12 square feet of floor space each home contains when parked and
13 in use by twenty cents. In computing floor space, the
14 exterior measurements of the home shall be used as shown on
15 the certificate of title, but not including any area occupied
16 by a hitching device.

17 Sec. 5. Section 435.22, Code Supplement 2001, is amended
18 by adding the following new subsection:

19 NEW SUBSECTION. 6. A mobile home or manufactured home
20 subject to tax under this section is eligible for the military
21 service tax exemption as provided in section 426A.11.

22 Sec. 6. APPLICABILITY DATE. This Act applies to military
23 service tax exemption claims filed on or after July 1, 2002.

24 EXPLANATION

25 Under present law the military service tax exemption is
26 available for real property and mobile and manufactured homes
27 converted to real property. The exemption does not apply to
28 mobile and manufactured homes located in mobile home parks or
29 manufactured home communities because these properties are
30 subject to an annual square foot tax. This bill makes the
31 military service tax exemption available to mobile and
32 manufactured homes subject to the annual square foot tax. The
33 bill sets the maximum amount of state reimbursement to local
34 jurisdictions for the loss resulting from the additional
35 military service tax exemption. The amount equals 3.95 cents

1 per square foot which does not fully fund the loss to the
2 local jurisdictions.

3 The bill applies to military tax exemption claims filed on
4 or after July 1, 2002.

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35