

FEB 4 2002

WAYS AND MEANS

HOUSE FILE 2203
BY WILDERDYKE

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

A BILL FOR

1 An Act expanding the types and numbers of veterans eligible for
2 the military service tax credit and including an effective
3 date.

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

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HF 2203

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

3 1. The property, not to exceed two thousand seven hundred
4 seventy-eight dollars in taxable value of any veteran~~-as~~
5 ~~defined-in-section-35-17~~ of the First World War.

6 2. The property, not to exceed one thousand eight hundred
7 fifty-two dollars in taxable value of an honorably separated,
8 retired, furloughed to a reserve, placed on inactive status,
9 or discharged veteran~~-as-defined-in-section-35-1~~.

10 Sec. 2. Section 426A.11, subsection 3, Code Supplement
11 2001, is amended by striking the subsection and inserting in
12 lieu thereof the following:

13 3. For purposes of this chapter, unless the context
14 otherwise requires:

15 a. "Veteran" means a resident of this state who served in
16 the armed forces of the United States or in the United States
17 merchant marine at any time during the following dates and who
18 was discharged under honorable conditions:

19 (1) World War I from April 6, 1917, through November 11,
20 1918.

21 (2) Occupation of Germany from November 12, 1918, through
22 July 11, 1923.

23 (3) American expeditionary forces in Siberia from November
24 12, 1918, through April 30, 1920.

25 (4) Second Haitian suppression of insurrections from 1919
26 through 1920.

27 (5) Second Nicaragua campaign with marines or navy in
28 Nicaragua or on combatant ships from 1926 through 1933.

29 (6) Yangtze service with navy and marines in Shanghai or
30 in the Yangtze valley from 1926 through 1927 and 1930 through
31 1932.

32 (7) China service with navy and marines from 1937 through
33 1939.

34 (8) World War II from December 7, 1941, through December
35 31, 1946.

1 (9) From January 1, 1947, through the present date. The
2 ending date is intended to be an ongoing date.

3 b. "Veteran" includes the following persons:

4 (1) Former members of the reserve forces of the United
5 States who served at least twenty years in the reserve forces
6 after January 28, 1973, and who were discharged under
7 honorable conditions. However, a member of the reserve forces
8 of the United States who completed a minimum aggregate of
9 ninety days of active federal service, other than training,
10 and was discharged under honorable conditions, or was retired
11 under Title X of the United States Code shall be included as a
12 veteran.

13 (2) Former members of the Iowa national guard who served
14 at least twenty years in the Iowa national guard after January
15 28, 1973, and who were discharged under honorable conditions.
16 However, a member of the Iowa national guard who was activated
17 for federal duty, other than training, for a minimum aggregate
18 of ninety days, and was discharged under honorable conditions
19 or was retired under Title X of the United States Code shall
20 be included as a veteran.

21 (3) Former members of the active, oceangoing merchant
22 marines who served during World War II at any time between
23 December 7, 1941, and December 31, 1946, both dates inclusive,
24 who were discharged under honorable conditions.

25 (4) Former members of the women's air force service pilots
26 and other persons who have been conferred veterans status
27 based on their civilian duties during World War II in
28 accordance with Pub. L. No. 95-202, 38 U.S.C. § 106.

29 Sec. 3. Section 426A.12, Code 2001, is amended to read as
30 follows:

31 426A.12 EXEMPTIONS TO RELATIVES.

32 In case any person in the foregoing classifications does
33 not claim the exemption from taxation, it shall be allowed in
34 the name of the person to the same extent on the property of
35 any one of the following persons in the order named:

1 1. The spouse, or surviving spouse remaining unmarried, of
2 a veteran~~7-as-defined-in-section-35-17~~ where they are living
3 together or were living together at the time of the death of
4 the veteran.

5 2. The parent whose spouse is deceased and who remains
6 unmarried, of a veteran~~7-as-defined-in-section-35-17~~ whether
7 living or deceased, where the parent is, or was at the time of
8 death of the veteran, dependent on the veteran for support.

9 3. The minor child, or children owning property as tenants
10 in common, of a deceased veteran~~7-as-defined-in-section-35-17~~.

11 No more than one tax exemption shall be allowed under this
12 section or section 426A.11 in the name of a veteran~~7-as~~
13 ~~defined-in-section-35-17~~.

14 Sec. 4. IMPLEMENTATION -- NO STATE FUNDING. Section 25B.7
15 does not apply to this Act.

16 Sec. 5. EFFECTIVE DATE. This Act, being deemed of
17 immediate importance, takes effect upon enactment.

18 EXPLANATION

19 This bill expands the availability of the military service
20 tax credit by including persons who served in the armed forces
21 of the United States or the United States merchant marine at
22 any time during the period beginning January 1, 1947, to the
23 present date which is ongoing. Present law has specific
24 periods during which a veteran must serve. These periods
25 include the Korean conflict, Vietnam conflict, Lebanon or
26 Grenada service, Panama service, and the Persian Gulf
27 conflict. The bill provides that any loss of property tax
28 revenues as a result of the expansion in the eligibility for
29 the military service tax credit will not be reimbursed by the
30 state.

31 The bill takes effect upon enactment.

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