



HF 166; Disabled Veterans Homestead Credit
Effective 3-5-2015

House File 166

AN ACT
RELATING TO THE DISABLED VETERAN HOMESTEAD TAX CREDIT BY
MODIFYING ELIGIBILITY CRITERIA AND INCLUDING EFFECTIVE DATE
AND RETROACTIVE APPLICABILITY PROVISIONS.

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

Section 1. Section 425.15, subsection 1, paragraphs b, c, and d, Code 2015, are amended to read as follows:

b. A veteran as defined in section 35.1 with a permanent service-connected disability rating of one hundred percent, as certified by the United States department of veterans affairs, or a permanent and total disability rating based on individual unemployability that is compensated at the one hundred percent disability rate, as certified by the United States department of veterans affairs.

c. A former member of the national guard of any state who otherwise meets the service requirements of section 35.1, subsection 2, paragraph "b", subparagraph (2) or (7), with a permanent service-connected disability rating of one hundred percent, as certified by the United States department of veterans affairs, or a permanent and total disability rating based on individual unemployability that is compensated at the one hundred percent disability rate, as certified by the United States department of veterans affairs.

d. An individual who is a surviving spouse or a child and who is receiving dependency and indemnity compensation pursuant to 38 U.S.C. §1301 et seq., as certified by the United States department of veterans affairs.

Sec. 2. Section 425.15, subsection 2, paragraph b, Code 2015, is amended to read as follows:

b. An individual described in subsection 1, paragraph "d",

is no longer eligible for the credit ~~if the individual marries~~
~~or~~ upon termination of dependency and indemnity compensation
under 38 U.S.C. §1301 et seq.

Sec. 3. Section 425.15, Code 2015, is amended by adding the
following new subsection:

NEW SUBSECTION. 5. For purposes of this section, "permanent
and total disability rating based on individual unemployability"
means a condition under which a person has either a permanent
service-connected disability rating of sixty percent or two or
more permanent service-connected disability conditions in which
one of the conditions has at least a forty percent rating and
the combined rating for all the conditions is at least seventy
percent, and the person has an administrative adjustment added
to the service-connected disability rating, due to individual
unemployability, such that the United States department of
veterans affairs rates the veteran permanently and totally
disabled for purposes of disability compensation.

Sec. 4. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
immediate importance, takes effect upon enactment.

Sec. 5. RETROACTIVE APPLICABILITY. This Act applies
retroactively to May 26, 2014, for applications for the
homestead credit under chapter 425 filed on or after that date.

KRANG PAULSEN
Speaker of the House

PAM JOCHUM
President of the Senate

I hereby certify that this bill originated in the House and
is known as House File 166, Eighty-sixth General Assembly.

CARMINE BOAL
Chief Clerk of the House

Approved March 5, 2015

TERRY E. BRANSTAD
Governor