



# Iowa Department of Human Services

Terry E. Branstad  
Governor

Kim Reynolds  
Lt. Governor

Charles M. Palmer  
Director

January 2, 2015

## GENERAL LETTER NO. 8-A-59

ISSUED BY: Bureau of Financial, Health and Work Supports  
Division of Adult, Children and Family Services

SUBJECT: Employees' Manual, Title 8, Chapter A, **ADMINISTRATION**, pages 34  
and 36, revised.

### Summary

Chapter 8-A is revised to:

- ◆ Reflect policy changes for programs administered by the Iowa Department of Revenue as follows:
  - Increase the income limit for a property tax credit from \$21,697.99 per year to \$22,011 per year.
  - Increase the income limit for rent reimbursement from \$21,697.99 per year to \$22,011 per year.
  - Change the date that someone must be age 65 to qualify for the property tax credit or rent reimbursement.
- ◆ Update all links due to the Department's new website.

### Effective Date

January 1, 2015

### Material Superseded

This material replaces the following pages from Employees' Manual, Title 8, Chapter A:

<u>Page</u>	<u>Date</u>
34, 36	January 24, 2014

### Additional Information

Refer questions about this general letter to your area income maintenance administrator.

Because the Department serves the population that qualifies for tax suspension and other low-income people who might qualify for a property tax credit or rent reimbursement, the Department is required to:

- ◆ Inform members who might qualify about the program.
- ◆ Provide verification to members who own property and who receive the benefits that qualify them for automatic tax suspension.
- ◆ Verify continued eligibility for tax suspension annually for the county board of supervisors.

Homestead property tax credit and rent reimbursement are explained in Comm. 121 or Comm. 121(S), *Important Notice to Property Owners and Renters*. Give this pamphlet to elderly and disabled applicants. Document this in the case record.

### **Homestead Property Tax Credit for the Elderly or Disabled**

**Legal reference:** Iowa Code Sections 425.16 - 425.40

Certain elderly and disabled residents are entitled to a tax credit of up to \$1,000.00 of their tax liability on their homestead property. To qualify in 2014, household income must be less than \$22,011 per year, and the person must be:

- ◆ 65 years of age or older on December 31, 2014, or
- ◆ Totally disabled as of December 31 of the previous year.

Property owners must file for the tax credit with the county treasurer in the county where their homestead is located. The amount of the credit depends upon the household's income.

### **Property Tax Suspension**

**Legal reference:** Iowa Code Section 427.9

A person may be eligible for suspension of property taxes when the person:

- ◆ Receives Supplemental Security Income (SSI), or
- ◆ Receives State Supplementary Assistance (SSA), including the supplement for Medicare and Medicaid eligibles, or
- ◆ Lives in a health care facility and the Department is paying for part of the care.

The county board of supervisors shall annually supply to the local Department office a list of names and social security numbers of people receiving tax suspension due to:

- ◆ Eligibility for State Supplementary Assistance or SSI, or
- ◆ Residing in a health care facility with the Department paying for part of the care.

Upon receipt of the list, indicate if the identified people continue to receive benefits that qualify them for tax suspension and return the list to the board of supervisors. No release of information is required to respond to this list.

### **Rent Reimbursement**

**Legal reference:** Iowa Code Sections 425.16 through 425.40

People who pay rent in buildings that are not tax-exempt may receive reimbursement of up to \$1,000 of the gross rent paid each year.

To qualify for rent reimbursement in 2014, household income must be less than \$22,011 per year. Also, the person must be:

- ◆ 65 years of age or older as of December 31, 2014, or
- ◆ Totally disabled as of December 31 of the previous year.

People who live in a health care facility, such as a nursing facility or residential care facility, are considered renters for purposes of this reimbursement. A percentage of the Medicaid payment to a nursing facility or the State Supplementary Assistance payment to a residential care facility may be counted as payment for rent, and therefore is counted for this program.

The Iowa Department of Revenue administers the program. Rent reimbursement forms are available through the offices of the county treasurer and through some agencies that serve the aged or disabled population.