

Administration of State Ordered Suspension of Property Taxes Policy

I. Purpose.

- A This policy sets forth the procedures for suspension of property taxes under Iowa Code Section 427.9. This policy applies to persons identified by the State Department of Human Services as eligible by reason of receipt of federal supplemental security income, state supplementary assistance, or who are residents of a health care facility, which is receiving payments from DHS.

II. Procedures for the Administration of Newly Ordered Suspension of Property Taxes.

- A . The State Department of Human Services should deliver the Tax Suspension Notices to the County Department of Community, Family and Youth Services. The Department of Community, Family and Youth Services will obtain a "Report of Property Tax Status" from the Treasurer for each property involved, and will attach it to the Tax Suspension Notice. The Department of Community, Family and Youth Services to open a case file for each suspension will use a copy of these two documents. The originals will be forwarded to the Board of Supervisors for action (via the Auditor's Office for inclusion on the Board's agenda).
- B. When the Board of Supervisors receives a Tax Suspension Notice and attached Report of Property Tax Status from the Department of Community, Family and Youth Services, it should, by resolution, direct to the Treasurer to suspend the collection of property taxes. A copy of the Tax Suspension Notice and attached Report of Property Tax Status should be forwarded to the Treasurer's Office, for their use. A copy of the resolution directing the tax suspensions should also be provided to the Department of Community, Family and Youth Services.
- C. When the Treasurer receives the tax suspension resolution, along with the Tax Suspension Notice and attached Report of Property Tax Status, the tax suspension should be implemented.
- D. When the Department of Community, Family and Youth Services receives the copy of the tax suspension resolution, all case files affected by the resolution will be examined. The Report of Property Tax Status will be used to determine which property tax credits the owner is receiving. If it appears the owner is receiving all applicable credits, no immediate action is necessary. If it appears the owner is not receiving all applicable credits, a representative of the Department of Community, Family and Youth Services will personally contact the owner or person designated to act on behalf of the owner, and will encourage and assist them in applying for the applicable tax credits.

III. Procedures for the Administration of Continued Suspension of Property Taxes.

- A. Annually, the Treasurer will prepare a list of active Department of Human Services ordered property tax suspension cases. The list will contain the names of the property owners, the district and parcel numbers of the properties, the credits currently being received, delinquent special assessments, if any, and tax sale status. It will also contain the names of those who have applied for elderly and disabled credit, as of February 1 of the current year. The list will be provided to the Department of Community, Family and Youth Services by February 15, of each year.
- B. Upon receipt of the list of active cases, the Department of Community, Family and Youth Services will compare the list to active case files on hand. If there is a discrepancy, appropriate corrective action will be taken. The Department of Community, Family and Youth Services will review all active case files, and will identify those requiring attention. All property owners who have not submitted a current claim for the elderly and disabled tax credit will be personally contacted, to determine if they would qualify for the credit. If they do appear to qualify, they will be encouraged and assisted in applying for the credit.
- C. Annually, the Department of Community, Family and Youth Services will prepare a list of active, state ordered property tax suspension cases and submit it to the Iowa Department of Human Services to verify eligibility for the suspension. The list will contain the social security numbers, addresses, and the names of the property owners.
- D. Upon receipt of the list of active cases, the State Department of Human Services will compare the list of active case files. If there is a discrepancy, appropriate corrective action will be taken.
- E. When the Board of Supervisors approves a suspension under this policy, subsequent annual suspensions are automatic until terminated by resolution of the Board.

IV. Procedures for Terminating State Ordered Property Tax Suspensions.

- A. The State Department of Human Services should deliver the Notification of Cancellation of Assistance to the County Department of Community, Family and Youth Services. When received by the Department of Community, Family and Youth Services, a copy will be placed in the corresponding case file. The originals will be forwarded to the Board of Supervisors for action (via the Auditor's Office for inclusion in the Board's agenda).
- B. When the Board of Supervisors receives a Notification of Cancellation of Assistance from the Department of Community, Family and Youth Services, it should, by resolution, direct to the Treasurer to lift the property tax suspension on the property involved. The Board should forward a copy of the Notification of Cancellation of Assistance to the Treasurer's Office, for their use. The Board should provide a copy of the resolution to the Department of Community, Family and Youth Services.

- C. When the Treasurer's Office receives the resolution directing the termination of the tax suspension and the Notification of Cancellation of Assistance from the Board, the property taxes are to be considered collectable. In cases where the property owner no longer qualifies for a Department of Human Services ordered tax suspension, and the parcel(s) have not been sold, passed by devise, bequest, or inheritance to any person other than the surviving spouse or minor child of the property owner, the total amount that has been suspended shall remain suspended, and the future taxes are to be considered collectable.
- D. When the Department of Community, Family and Youth Services receives the copy of the resolution directing the termination of the property tax suspension, copies of the resolution should be placed in the affected case files, and they will be considered inactive. The case files should be stored for a period five years, after which may be destroyed.

V. Post-Suspension Follow-Up Procedures

- A. In cases where the property owner no longer qualifies for a Department of Human Services ordered tax suspension, but is financially distressed, alternative sources of property tax relief may be sought by the property owner. The Department of Community, Family and Youth Services should advise the property owner that they might petition the Board of Supervisors, and ask that their current property taxes be suspended or abated. The Department of Community, Family and Youth Services will assist the property owner in preparing and submitting his/her petition. The property owner may also ask the Board of Supervisors to abate taxes that were previously suspended by the Department of Human Services order. The Department of Community, Family and Youth Services will assist the property owner in preparing and submitting his/her request for this action to the Board of Supervisors.

Contact: Community, Family & Youth Services
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