

Homestead Tax Credit

Any property owner in the State of Iowa who lives in the property can receive a homestead tax credit. To be eligible, a homeowner must occupy the homestead any six months out of the year, but must reside there on July 1.

This exemption is a reduction of the taxable value of their property amounting to a maximum \$4,850 or the amount which does not allow the taxable value to be less than zero.

Disabled veterans are allowed to claim a homestead credit that would be equal to the entire amount of taxes levied on the homestead property. The exemption is not allowed if the combined income of the veteran and their spouse, if any, exceeds \$25,000 in the prior income tax year. Income means taxable income for federal income tax purposes plus income from any political subdivision exempt from federal income tax. See Code of Iowa Chapter 425.