

CHAPTER 122

ROAD USE TAX FUND

H. F. 392

AN ACT to provide funds for the construction and maintenance of highways, to create in the state treasury, a road use tax fund, to provide income in the road use tax fund, to provide for the division, allocation, and expenditure of the road use tax fund, to amend chapter three hundred ten (310), Code 1946, relating to farm to market roads, to amend chapter three hundred thirteen (313), Code 1946, relating to primary roads, to amend chapter three hundred twenty-one (321), Code 1946, relating to the registration of motor vehicles, to amend chapter three hundred twenty-four (324), Code 1946, relating to motor vehicle fuel tax, to amend chapter three hundred twenty-six (326), Code 1946, relating to the taxation of certificated motor vehicle carriers, to amend chapter four hundred twenty-two (422), Code 1946, relating to the sales tax, and to amend chapter four hundred twenty-three (423), Code 1946, relating to the use tax.

Be It Enacted by the General Assembly of the State of Iowa:

- 1 SECTION 1. There is hereby created, in the state treasury, a road
 2 use tax fund. Said road use tax fund shall embrace and include:
- 3 a. All the net proceeds of the registration of motor vehicles under
 4 chapter three hundred twenty-one (321), Code 1946, as amended by
 5 the Acts of the Fifty-second (52nd) General Assembly.
- 6 b. All the net proceeds of the motor vehicle fuel tax or license fees
 7 under chapter three hundred twenty-four (324), Code 1946, as
 8 amended by the Acts of the Fifty-second (52nd) General Assembly.
- 9 c. All of the net proceeds of the compensation tax on motor vehicle
 10 certificated carriers under chapter three hundred twenty-six (326),
 11 Code 1946.
- 12 d. All revenue derived from the use tax, under chapter four hun-
 13 dred twenty-three (423), Code 1946, as amended by the Acts of the
 14 Fifty-second (52nd) General Assembly, on motor vehicles, trailers,
 15 and motor vehicle accessories and equipment, as same may be col-
 16 lected as provided by section four hundred twenty-three point seven
 17 (423.7).
- 18 e. Revenues derives* from the sales tax, under chapter four hun-
 19 dred twenty-two (422), Code 1946, in an amount equal to ten percent
 20 (10%) of the net revenues collected under Division IV of said chap-
 21 ter.
- 22 f. Any other funds which may by law be credited to the road use
 23 tax fund.
- 1 SEC. 2. The treasurer of the state shall, on the first day of each
 2 month, credit all road use tax funds which have come into his hands,
 3 to the primary road fund, the secondary road construction fund of
 4 the counties, the farm to market road fund, and the street construc-
 5 tion fund of cities and incorporated towns, respectively, in the fol-
 6 lowing manner and amounts:
- 7 (a) To the primary road fund, forty-two percent (42%).
- 8 (b) To the secondary road construction fund of the counties,
 9 thirty-five percent (35%).
- 10 (c) To the farm to market road fund, fifteen percent (15%).

*According to enrolled act.

11 (d) To the street construction fund of the cities and incorporated
12 towns of the state, eight percent (8%).

1 SEC. 3. The treasurer of state shall, on the first day of each month,

2 (a) Apportion among the counties of the state, in the ratio that
3 the area of each county bears to the total area of the state, the thirty-
4 five percent (35%) of the road use tax funds which he has credited
5 to the secondary road construction fund of the counties, and shall
6 remit to the treasurer of each county the amount so apportioned to
7 said county.

8 (b) Apportion among the cities and incorporated towns of the
9 state, in the ratio which the population of each city or town, as shown
10 by the latest available federal census, bears to the total population of
11 all such cities and towns in the state, the eight percent (8%) of the
12 road use tax funds which he has credited to the street construction
13 fund of the cities and towns, and shall remit to the city clerk of each
14 such city or town the amount so apportioned to such city or town.

1 SEC. 4. The treasurer of state shall, each month, certify to the
2 state highway commission,

3 (a) The amount which he has received and credited to the road
4 use tax fund from each source of revenue creditable to the said road
5 use tax fund.

6 (b) The amount of the road use tax fund which he has credited to
7 (1) the primary road fund, (2) the secondary road construction fund
8 of the counties, (3) the farm to market road fund, and (4) the street
9 construction fund of the cities and incorporated towns.

10 (c) The amount of the federal aid primary and urban funds which
11 he has received from the federal government and credited to the pri-
12 mary road fund.

13 (d) The amount of federal aid secondary road funds which he has
14 received from the federal government and credited to the farm to
15 market road fund.

1 SEC. 5. The road use tax funds credited to the farm to market
2 road fund by the treasurer of state, are hereby divided as follows, and
3 are to be known respectively as:

4 (a) Area allotment farm to market roads funds, sixty per cent
5 (60%); and

6 (b) Equalization farm to market road funds, forty per cent (40%).

7 (c) All such funds distributed on need basis, shall be reported to
8 each county auditor of the state by January 1st of each year, setting
9 forth all amounts distributed to each county in the state on the need
10 basis.

11 All farm to market road funds, except funds which under section
12 three hundred ten point twenty (310.20), Code 1946, come from any
13 county's allotment of the road use tax funds, shall be allotted among
14 the counties by the state highway commission. Area allotment farm
15 to market road funds and federal aid secondary road funds received
16 by the state, shall be allotted among all the counties of the state in
17 the ratio that the area of each county bears to the total area of the
18 whole state.

19 The equalization farm-to-market road fund shall be used for such
 20 construction and reconstruction of farm-to-market roads and bridges
 21 as is necessary to accomplish a uniformity of relief for the improve-
 22 ment of such roads and bridges among the counties of the state. Each
 23 county seeking relief from the equalization farm-to-market road fund
 24 shall make application to the state highway commission on or before
 25 July 1 each year, showing cause for need of such relief. The state
 26 highway commission shall take into consideration all costs such as
 27 the cost of grading, bridges, culverts, drainage, surface material and
 28 labor required to complete said farm-to-market roads in all counties.
 29 In allotting equalization farm-to-market road funds among counties,
 30 the state highway commission shall also take into consideration exist-
 31 ing unobligated credit balances in each county's farm-to-market road
 32 fund at the time such allotments are made. Allotments of equaliza-
 33 tion road funds shall be made to the counties in the ratio that each
 34 county's requirements bears to the requirements of the state as a
 35 whole. The state highway commission shall make such allotments
 36 as are required to carry out the objects of this section.

1 SEC. 6. The street construction fund of the cities and incorporated
 2 towns, which fund is hereby created, shall be used for the construc-
 3 tion, reconstruction, repair, and maintenance of roads and streets in
 4 such cities and towns.

1 SEC. 7. Section three hundred thirteen point three (313.3), Code
 2 1946, is hereby amended and revised to read as follows:

3 "There is hereby created a primary road fund which shall include
 4 and embrace

5 a. All road use tax funds which are by law credited to the primary
 6 road fund.

7 b. All federal aid primary and urban road funds received by the
 8 state.

9 c. All other funds which may by law be credited to the primary
 10 road fund".

1 SEC. 8. Section three hundred thirteen point seven (313.7), Code
 2 1946, is hereby amended by striking all of said section after the first
 3 sentence thereof.

1 SEC. 9. Section three hundred ten point one (310.1), Code 1946,
 2 is hereby amended by striking subsection three (3) of said section
 3 and substituting the following in lieu thereof:

4 "3. 'County's allotment of road use tax fund' or 'allotment of road
 5 use tax fund' shall mean that part of the road use tax fund allotted
 6 to any county by the treasurer of state from the portion of the state
 7 road use tax fund which he has credited to the secondary road con-
 8 struction fund of the counties."

1 SEC. 10. Section three hundred ten point three (310.3) Code
 2 1946, is hereby amended by renumbering subsection two (2) of said
 3 section as subsection three (3), and by inserting in said section the
 4 following as subsection two (2):

5 "2. All road use tax funds by law credited to the farm to market
 6 road fund."

1 SEC. 11. Section three hundred ten point five (310.5), Code 1946,
2 as amended by section one (1) of chapter one hundred sixty-two
3 (162), Acts of the Fifty-second General Assembly, is hereby repealed.

1 SEC. 12. Section three hundred ten point seven (310.7), Code
2 1946, is hereby amended by striking all of said section after the first
3 sentence thereof.

1 SEC. 13. Section three hundred ten point twenty (310.20), Code
2 1946, is hereby amended by striking from lines five (5) and six (6) of
3 said section the words "motor fuel license fees", and substituting in
4 lieu thereof the words "road use tax funds".

1 SEC. 14. Section three hundred ten point thirty-one (310.31),
2 Code 1946, is hereby repealed.

1 SEC. 15. Section three hundred twenty-one point one hundred
2 forty-five (321.145), Code 1946, is hereby amended by striking the
3 words "primary road" from line thirteen (13) of said section and
4 substituting in lieu thereof the words "road use tax."

1 SEC. 16. Section three hundred twenty-one point one hundred
2 forty-six (321.146), Code 1946, is hereby amended by striking from
3 lines four (4) and five (5) of said section the words "primary road"
4 and substituting in lieu thereof the words "road use tax".

1 SEC. 17. Section three hundred twenty-one point one hundred
2 forty-seven (321.147), Code 1946, is hereby repealed.

1 SEC. 18. The treasurer of state shall maintain in the road use
2 tax fund in the state treasury, of the funds collected as provided in
3 chapter three hundred twenty-one (321), Code 1946, or as said chap-
4 ter may be amended, a cash balance sufficient, when added to the cash
5 balance of receipts in the road use tax fund from other sources, to
6 pay the anticipated expenditures from the road use tax fund for the
7 ensuing month.

8 When necessary to restore the balance in the road use tax fund in
9 the state treasury, he shall draw upon the treasurer of each county of
10 the state in proportion to the amounts in their possession, respec-
11 tively, of the funds collected under the provisions of chapter three
12 hundred twenty-one (321), Code 1946, or as said chapter may be
13 amended, and credited to the road use tax fund, a sum sufficient in
14 the aggregate to restore the cash balance in the road use tax fund.
15 Such drafts shall be honored by the treasurer of each county upon
16 presentation.

1 SEC. 19. Section three hundred twenty-four point sixty-three
2 (324.63), Code 1946, as amended by Acts of the Fifty-second General
3 Assembly is hereby repealed and the following is enacted in lieu
4 thereof:

5 "The net proceeds of the four cents per gallon license fees and
6 penalties collected under the provision of this chapter, shall be
7 credited to the road use tax fund".

1 SEC. 20. Section three hundred twenty-six point thirteen (326.13),
2 Code 1946, is hereby amended by striking all of said section after the

3 word "be" in line six (6) of said section and substituting the follow-
4 ing in lieu thereof: "credited to the road use tax fund".

1 SEC. 21. Section three hundred twenty-six point fourteen (326.14),
2 Code 1946, is hereby repealed.

1 SEC. 22. Section four hundred twenty-two point sixty-two
2 (422.62), Code 1946, as amended by section one (1) of chapter two
3 hundred thirty (230), Acts of the Fifty-second General Assembly, is
4 hereby amended by striking the word "to" following the word "treas-
5 urer" in line six (6) of said section, and inserting the following punctu-
6 ation and words in lieu thereof:

7 "Ten percent (10%) of the net receipts collected under Division IV
8 of this chapter shall be credited by the treasurer of state to the road
9 use tax fund. The remainder of the proceeds of the fees, taxes, in-
10 terest and penalties collected under this chapter, shall".

1 SEC. 23. Section four hundred twenty-three point twenty-four
2 (423.24), Code 1946, as amended by section four (4) of chapter two
3 hundred thirty (230), Acts of the Fifty-second General Assembly, is
4 hereby repealed and the following is enacted as a substitute therefor:

5 "All revenue arising under the operation of this chapter, derived
6 from the use tax on motor vehicles, trailers, and motor vehicle ac-
7 cessories and equipment, as same may be collected as provided by
8 section four hundred twenty-three point seven (423.7), shall be credited
9 to the road use tax fund. All other revenue arising under the opera-
10 tion of this chapter shall be credited to the general fund of the state".

1 SEC. 24. Section three hundred nine point ten (309.10), Code 1946,
2 is hereby amended by adding thereto the following:

3 "8. The payment of the cost in the establishment, construction, re-
4 construction, surfacing, resurfacing, grading, construction of bridges
5 and culverts, the elimination, protection, or improvement of bridges
6 and culverts, the elimination, protection, or improvement of railroad
7 crossings, the acquiring of additional right of way and all other ex-
8 penses incurred in the construction, reconstruction or improvement
9 of secondary or farm to market roads in said county."

1 SEC. 25. Where a tract of land is owned by a corporation organized
2 under the provisions of chapter four hundred ninety-one (491), Code
3 1946, with assets of the value of one million dollars (\$1,000,000.00)
4 or more, and owned by individuals owning not more than one (1) share
5 each of the voting stock of the corporation and having one or more
6 platted villages located within the territorial limits of said tract of
7 land, all of the territory within the plats of said villages with their
8 addition or subdivisions shall, for the purposes of this act, be deemed
9 to be one incorporated town. All funds to become due to said villages
10 so consolidated shall be paid to the county auditor of the county in
11 which said tract of land and said villages are situated. Said fund
12 shall, thereupon, be administered and expended by the county board
13 of supervisors of said county for the construction, re-construction,
14 repair, and maintenance of roads and streets within the plats of such
15 villages in the same manner and with the same powers and duties as
16 city or town councils in cities and incorporated towns. In the event

17 the population of such villages shall not have been separately enumer-
 18 ated in the federal census, then said county board of supervisors shall
 19 cause a census of said villages to be taken as soon as may be after this
 20 act becomes effective, which census shall be used in lieu of the federal
 21 census provided for in Sec. 3 (b).

1 SEC. 26. This act shall not apply to revenue collected previous to
 2 July 1, 1949. It shall apply to revenue collected on and after July
 3 1, 1949.

1 SEC. 27. This act being deemed of immediate importance, shall
 2 be in full force and effect from and after its passage and publication
 3 in Davis County Republican, a newspaper published at Bloomfield,
 4 Iowa, and the Coggon Monitor, a newspaper published at Coggon,
 5 Iowa.

Approved March 28, 1949.

I hereby certify that the foregoing act was published in the Davis County Republican,
 April 5, 1949, and in the Coggon Monitor, April 7, 1949.

MELVIN D. SYNHORST, *Secretary of State.*

CHAPTER 123

SECONDARY ROAD TAX LEVY

H. F. 316

AN ACT to amend section three hundred nine point eleven (309.11), Code 1946, relating
 to optional maintenance levies of secondary roads.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section three hundred nine point eleven (309.11),
 2 Code 1946, is hereby amended by striking the word "five" in line
 3 one (1) of subsection two (2) and inserting in lieu thereof the word
 4 "eight". Provided, that no county shall be required, as a condition
 5 precedent to being eligible to receive farm-to-market road funds on
 6 an equalization basis, to levy in excess of five mills.

Approved April 13, 1949.

CHAPTER 124

SECONDARY ROAD SURVEYS

S. F. 256

AN ACT to amend section three hundred nine point thirty-five (309.35), Code 1946,
 relating to the surveys required for construction of secondary roads.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section three hundred nine point thirty-five (309.35),
 2 Code 1946, is hereby amended by striking from line four (4) the
 3 words "and draining" and inserting in lieu thereof the words "ex-
 4 clusive of bridges and culverts."

Approved March 30, 1949.