

Sec. 11. This Act takes effect January 1 following its enactment.

Approved May 22, 1982

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## CHAPTER 1247

### STATE PROPERTY TAX NATURAL RESOURCE EXEMPTIONS AND ASSESSMENTS

*H.F. 2351*

**AN ACT** relating to property tax by providing for exemptions for wetlands, recreational lakes, forest cover, forest reservations, rivers and streams, river and stream banks, wildlife habitats, native prairies, and open prairies, increasing the amount of acres to be exempted for certain organizations, and increasing the assessed value of fruit-tree and forest reservations.

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

Section 1. Section 427.1, subsection 9, Code 1981, is amended to read as follows:

9. Property of religious, literary, and charitable societies. All grounds and buildings used or under construction by literary, scientific, charitable, benevolent, agricultural, and religious institutions and societies solely for their appropriate objects, not exceeding three hundred twenty acres in extent and not leased or otherwise used or under construction with a view to pecuniary profit. However, an organization mentioned in this subsection whose primary objective is to preserve land in its natural state may own or lease land not exceeding three hundred twenty acres in each county for its appropriate objects. All deeds or leases by which such property is held shall be filed for record before the property herein described shall be omitted from the assessment. All such property shall be listed upon the tax rolls of the district or districts in which it is located and shall have ascribed to it an actual fair market value and an assessed or taxable value, as contemplated by section 441.21, whether such property be subject to a levy or be exempted as herein provided and such information shall be open to public inspection.

Sec. 2. Section 427.1, Code 1981, is amended by adding the following new subsections:

**NEW SUBSECTION.** Wetlands, recreational lakes, forest covers, forest reservations, rivers and streams, river and stream banks, and open prairies as designated by the board of supervisors of the county in which located. The board of supervisors shall annually designate the real property, not to exceed in the aggregate for the fiscal year beginning July 1, 1983 the greater of one percent of the acres assessed as agricultural land or three thousand acres in each county, for which this exemption shall apply. For subsequent fiscal years, the limitation on the maximum acreage of real property that may be granted exemptions shall be the limitation for the previous fiscal year, unless the amount of acreage granted exemptions for the previous fiscal year equaled the limitation for that year, then the limitation for the subsequent fiscal year is the limitation for the previous fiscal year plus an increase, not to exceed three hundred acres, of ten percent of that limitation. However, the board of supervisors shall grant a tax exemption to a tract of land if it fulfills the conditions of sections 161.1 to 161.13 for a forest reservation. The acreage granted this exemption for a forest reservation shall not be

included within the limitation for the fiscal year for which the exemption is granted. The procedures of this subsection shall be followed for each assessment year to procure an exemption for the fiscal year beginning in the assessment year. The exemption shall be only for the fiscal year for which it is granted, except that an exemption granted for wetlands shall be for three fiscal years. A parcel of property may be granted subsequent exemptions. The exemption shall only be granted for parcels of property of two acres or more.

Application for this exemption shall be filed with the commissioners of the soil conservation district in which the property is located, or if not located in a district, to the board of supervisors, not later than April 15 of the assessment year, on forms provided by the department of revenue. However, in the case of an exemption granted for wetlands an application does not have to be filed for the second and third years of the three-year exemption period. The application shall describe and locate the property to be exempted and have attached to it an aerial photo of that property on which is outlined the boundaries of the property to be exempted. In the case of an open prairie which is or includes a gully area susceptible to severe erosion, an approved erosion control plan must accompany the application. Upon receipt of the application, the commissioners or the board of supervisors, if the property is not located in a soil conservation district, shall certify whether the property is eligible to receive the exemption. The commissioners or board shall not withhold certification of the eligibility of property because of the existence upon the property of an abandoned building or structure which is not used for economic gain. If the commissioners certify that the property is eligible, the application shall be forwarded to the board of supervisors by May 1 of that assessment year with the certification of the eligible acreage. An application must be accompanied by an affidavit signed by the applicant that if an exemption is granted, the property if other than a forest reservation will not be used for economic gain during the assessment year in which the exemption is granted.

Before the board of supervisors may designate real property for the exemption, it shall establish priorities for the types of real property for which an exemption may be granted and the amount of acreage. These priorities may be the same as or different than those for previous years. The board of supervisors shall get the approval of the governing body of the city before an exemption may be granted to real property located within the corporate limits of that city. A public hearing shall be held with notice given as provided in section 23.2 at which the proposed priority list shall be presented. After the public hearing, the board of supervisors shall adopt by resolution the proposed priority list or another priority list. Property upon which are located abandoned buildings or structures shall have the lowest priority on the list adopted, except where the board of supervisors determines that a structure has historic significance. The board of supervisors shall also provide for a procedure where the amount of acres for which exemptions are sought exceeds the amount the priority list provides for that type or in the aggregate for all types.

After receipt of an application with its accompanying certification and affidavit and the establishment of the priority list, the board of supervisors may grant a tax exemption under this subsection using the established priority list as a mandate. Real property designated for the tax exemption shall be designated by May 15 of the assessment year in which begins the fiscal year for which the exemption is granted. Notification shall be sent to the county auditor and the applicant.

The board of supervisors, except as required for forest reservations, does not have to grant tax exemptions under this subsection, grant tax exemptions in the aggregate of the maximum acreage which may be granted exemptions, or grant a tax exemption for the total acreage for which the applicant requested the exemption. Only real property in parcels of two acres or more which is wetlands, recreational lakes, forest cover, forest reservations, river and stream, river and stream banks or open prairie and which is utilized for the purposes of providing soil

erosion control or wildlife habitat or both, and which is subject to property tax for the fiscal year for which the tax exemption is requested is eligible for the exemption under this subsection. However, in addition to the above, in order for a gully area which is susceptible to severe erosion to be eligible, there must be an erosion control plan for it approved by the commissioners of the soil conservation district in which it is located or the state soil conservation committee if not located in a district. In the case of an exemption for river and stream or river and stream banks, the exemption shall not be granted unless there is included in the exemption land located at least thirty-three feet from the ordinary high water mark of the river and stream or river and stream banks. Property shall not be denied an exemption because of the existence upon the property of an abandoned building or structure which is not used for economic gain. If the real property is located within a city, the approval of the governing body must be obtained before the real property may be eligible for an exemption. For purposes of this subsection:

a. "Wetlands" means land preserved in its natural condition which is mostly under water, which produces little economic gain, which has no practical use except for wildlife or water conservation purposes, and the drainage of which would be lawful, feasible and practical and would provide land suitable for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains. "Wetlands" includes adjacent land which is not suitable for agricultural purposes due to the presence of the land which is under water.

b. "Open prairies" includes hillsides and gully areas which have a permanent grass cover but does not include native prairies meeting the criteria of the state conservation commission.

c. "Forest cover" means land which is predominantly wooded.

d. "Recreational lake" means a body of water, which is not a river or stream, owned solely by a nonprofit organization and primarily used for boating, fishing, swimming and other recreational purposes.

e. "Forest reservation" means land fulfilling the conditions of sections 161.1 to 161.13 except land located within the corporate limits of a city which is not open to public use.

f. "Used for economic gain" includes, but is not limited to, using property for the storage of equipment, machinery, or crops.

**NEW SUBSECTION. NATIVE PRAIRIE.** Land designated as native prairie by a county conservation board or by the state conservation commission in an area not served by a county conservation board. Application for the exemption shall be made on forms provided by the department of revenue. The application forms shall be filed with the assessing authority not later than the first of February of the year for which the exemption is requested. The application must be accompanied by an affidavit signed by the applicant that if the exemption is granted, the property will not be used for economic gain during the assessment year in which the exemption is granted. If the property is used for economic gain during the assessment year in which the exemption is granted, the property shall lose its tax exemption and shall be taxed at the rate levied by the county for the fiscal year beginning in that assessment year. The first annual application shall be accompanied by a certificate from the county conservation board serving the area in which the property is located or if none exists, the state conservation commission stating that the land is native prairie. The county conservation board or the state conservation commission shall issue the certificate if the board or commission finds that the land has never been cultivated, is unimproved, is primarily a mixture of warm season grasses interspersed with flowering plants, and meets the other criteria established by the state conservation commission for native prairie. A taxpayer may seek judicial review of a decision of a board or the commission according to chapter 17A. The state conservation commission shall adopt rules to implement this subsection.

**NEW SUBSECTION. LAND CERTIFIED AS A WILDLIFE HABITAT.** The owner of agricultural land may designate not more than two acres of the land for use as a wildlife

habitat. After inspection, if the land meets the standards established by the commission for a wildlife habitat under section 110.3, the state conservation commission shall certify the designated land as a wildlife habitat and shall send a copy of the certification to the appropriate assessor. The commission may subsequently withdraw certification of the designated land if it fails to meet the established standards for a wildlife habitat and the assessor shall be given written notice of the decertification.

Sec. 3. Section 441.22, Code 1981, is amended to read as follows:

441.22 FOREST AND FRUIT-TREE RESERVATIONS. Forest reservations fulfilling the conditions of sections 161.1 to 161.13 which are located within the corporate limits of a city and which are not open to public use shall be assessed on a taxable valuation of fourteen dollars and eighty-two cents per acre. at market value. Fruit-tree reservations fulfilling the conditions of sections 161.1 to 161.13 shall be assessed on a taxable valuation of fourteen twenty dollars and eighty-two cents per acre for a period of eight years from the time of planting except that a fruit-tree reservation located within the corporate limits of a city which is not open to public use shall be assessed at market value. In all other cases where trees are planted upon any tract of land, without regard to area, for forest, fruit, shade, or ornamental purposes, or for windbreaks, the assessor shall not increase the valuation of such property because of such improvements.

Approved May 11, 1982

## CHAPTER 1248

### RESTRICTED MOTOR VEHICLE LICENSE FOR MINORS

*H.F. 796*

**AN ACT** providing for the issuance of certain restricted licenses to persons between the ages of fourteen and eighteen.

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

Section 1. Section 321.178, subsection 2, Code 1981, is amended to read as follows:

#### **2. YOUTHS NOT ATTENDING SCHOOL—NO DRIVER EDUCATION REQUIRED RESTRICTED LICENSE.**

a. Any person between sixteen and eighteen years of age who is not in attendance attendance at school or who is in attendance in a public or private school where an approved driver's education course is not offered or available, may be issued a one-year probationary operator's restricted license only for travel to and from work without having completed an approved driver's education course. The restricted license shall be issued by the department only upon confirmation of the person's employment and need for a restricted license to travel to and from work and upon receipt of a written statement from the public or private school that an approved course in driver's education was not offered or available to the person, if applicable. The employer shall notify the department if the employment of the person is terminated before the person attains the age of eighteen. Such The person shall not have a