

**CHAPTER 112**  
**PROPERTY TAX INTEREST PENALTY**  
*H.F. 640*

**AN ACT** relating to the computation of interest penalties on delinquent property taxes.

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

Section 1. Section 445.39, Code 1985, is amended to read as follows:  
445.39 INTEREST AS PENALTY.

If the first installment of taxes is not paid by the delinquent date specified in section 445.37, the installment shall become due and draw interest, as a penalty, of one percent per month until paid, from the delinquent date following the levy; and if the last half is not paid by April 1 following the levy, the same interest shall be charged from the date the last half became delinquent. However, after April 1 in a fiscal year when late certification of the tax list results in a penalty date later than October 1 for the first installment, penalties on delinquent first installments shall accrue as if certification were made on the previous June 30. The interest penalty imposed under this section shall be computed to the nearest whole dollar and the amount of interest shall not be less than one dollar.

Approved May 14, 1985

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**CHAPTER 113**  
**SELF-SUPPORTED IMPROVEMENT DISTRICTS**  
*H.F. 652*

**AN ACT** authorizing the creation of self-supported improvement districts within residential areas which are designated as historic districts.

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

Section 1. Section 386.3, subsection 1, paragraph a, Code 1985, is amended to read as follows:

a. Be comprised of contiguous property wholly within the boundaries of the city. A self-supported municipal improvement district shall be comprised only of property in districts which are zoned for commercial or industrial uses and properties within a duly designated historic district.