

Ways and Means 1/18/76

Senate File 1004  
Ways and Means  
Shaff, Chairperson  
Hill of Jasper  
Nolting  
Senate File 1004  
Ways and Means  
Van Gilst, Chairperson  
Shaff  
Nolting  
Gluba  
Lamborn

FILED JAN 17 1976

SENATE FILE 1004

By HULTMAN

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to the determination of actual value of  
2 agricultural property for tax purposes.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section four hundred forty-one point twenty-  
2 one (441.21), subsection one (1), unnumbered paragraph five  
3 (5), Code 1975, as amended by Acts of the Sixty-sixth General  
4 Assembly, 1975 Session, chapter two hundred five (205), section  
5 two (2), is amended to read as follows:

6 In assessing and determining the actual value of  
7 agricultural property, ~~fifty-percent~~ consideration shall be  
8 given to each of the following factors:

9 a. The Seventy-five percent of the actual value shall  
10 be computed on the productivity and net earning capacity of  
11 the property determined on the basis of the use for  
12 agricultural purposes capitalized at a rate representing a  
13 fair return on the investment, such rate to be established  
14 by the state board of tax review and applied uniformly among  
15 counties and among classes of property.

16 b. The Twenty-five percent of the actual value shall be  
17 computed on the fair and reasonable market value of such  
18 property as defined herein, but such market value shall be  
19 based only on its current use and not on its potential value  
20 for other uses.

21 EXPLANATION

22 This bill provides that in assessing and valuing  
23 agricultural property for tax purposes, 75 percent of its  
24 actual value shall be computed on the basis of its productivity  
25 and net earning capacity and 25 percent of the actual value  
26 shall be determined on the basis of its market value.

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