

Ways and Means 4/29

FILED APR 28 1976

SENATE FILE 1315

By WINKELMAN

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

## A BILL FOR

- 1 An Act relating to assessment of real property.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

### SENATE FILE 1315 FISCAL NOTE

Date prepared: April 13, 1976  
 Requested by: Senator Winkelman  
 Prepared in regard to: Senate File 1315, An Act relating to assessment of real property.

Following is the fiscal effect in dollars of the legislative proposal as required by Joint Rule 16.

This proposal provides that after July 1, 1976, the actual value of real property shall not be increased except for adjustments made to reduce variations between adjacent property in adjoining counties to five percent or less, unless improvements have been made to the property.

As currently written, this proposal would tie property valuations to the value of property as of July 1, 1976. The effect of this proposal would, therefore, be to reduce the expected increases in property valuations. However, since property valuations are currently established as of January 1 of each year and information is not available as to the increases which have occurred in property values during the first six months of 1976, an estimate of the effect of this proposal on local property values cannot be made.

Although the proposal would have no effect on state revenues, there could possibly be an effect on the level of state expenditures made under the school aid formula.

Source: Department of Revenue

FILED  
 APRIL 28, 1976

BY GERRY D. RANKIN  
 LEGISLATIVE FISCAL DIRECTOR

1 Section 1. Section four hundred forty-one point twenty-  
2 one (441.21), subsection one (1), unnumbered paragraph seven  
3 (7), Code 1975, is amended to read as follows:

4 Notwithstanding any other provision of this section, the  
5 actual value of any property shall not exceed its fair and  
6 reasonable market value, and after July 1, 1976, the actual  
7 value of real property shall not be increased, except as  
8 provided for adjustment to reduce the variation between  
9 adjacent property in adjoining counties to five percent or  
10 less, unless the real property has been improved since it  
11 was last assessed.

12 EXPLANATION

13 This bill establishes a moratorium on increases in  
14 assessment of real property, except for the purpose of  
15 equalization between counties, unless the property has been  
16 improved since the last assessment.

17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35