

Reprinted 4/87

LOCAL GOVERNMENT: Wells, Chair, A. Miller and Goodwin

FILED FEB 18 1987

SENATE FILE 198
BY WELLS and MILLER of Cerro Gordo

Passed Senate, Date 4-2-87 (p. 1034) Passed House, Date 4-14-87 (p. 1317)
Vote: Ayes 44 Nays 0 Vote: Ayes 92 Nays 1
Approved April 27, 1987 (p. 1541)

A BILL FOR

1 An Act relating to the payment of special assessments on property
2 acquired by eminent domain and providing an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

SENATE FILE 198

S-3076

1 Amend Senate File 198 as follows:
2 1. Page 2, line 21, by striking the word "by" and
3 inserting the following: "to".

S-3076

Filed February 24, 1987

Adopted 4/2 (p. 1038)

BY JAMES D. WELLS
ALVIN V. MILLER

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198

1 Section 1. Section 427.2, Code 1987, is amended to read as
2 follows:

3 427.2 TAXABLE PROPERTY ACQUIRED THROUGH EMINENT DOMAIN.

4 Real estate occupied as a public road, and rights of way
5 for established public levees and rights of way for
6 established, open, public drainage improvements shall not be
7 taxed.

8 When land or rights in land are acquired in connection with
9 or for public use or public purposes, the acquiring authority
10 shall assist in the collection of property taxes and special
11 assessments. However, assistance in the collection of the
12 property taxes ~~and special assessments~~ does not require the
13 payment of property taxes ~~and special assessments~~ on the
14 property acquired which exceed the amount of just compensation
15 offered as required by section 472.45 for the acquisition of
16 the property.

17 The property owner shall pay all property taxes ~~and special~~
18 ~~assessments~~ which are due and payable when the property owner
19 surrenders possession of the property acquired and also those
20 which become due and payable for the fiscal year the property
21 is acquired in an amount equal to one-twelfth of the taxes and
22 ~~assessments~~ due and payable on the property acquired for the
23 preceding fiscal year multiplied by the number of months in
24 the fiscal year in which the property was acquired which
25 elapsed prior to the month in which the property owner
26 surrenders possession, and including that month if the
27 surrender of possession occurs after the fifteenth day of a
28 month. For purposes of computing the payments, the property
29 owner has surrendered possession of property acquired by
30 eminent domain proceedings when the acquiring authority has
31 the right to obtain possession of the acquired property as
32 authorized by law. When all of the property is acquired for
33 public use or public purposes, the property owner shall pay
34 all special assessments in full which have been certified to
35 the county treasurer for collection before the possession date

1 of the acquiring authority. When part but not all of the
2 property is acquired for public use or public purposes, taxing
3 authorities may collect property taxes and special assessments
4 which the property owner is obligated to pay, in accordance
5 with chapter 446, from that part of the property which is not
6 acquired. The county treasurer shall collect and accept the
7 payment received on property acquired for public use or public
8 purposes as full and final payment of all property tax and
9 ~~special-assessments on the property and apportion the payment~~
10 ~~on the basis of the levy in effect in the fiscal year in which~~
11 ~~the property is acquired.~~

12 For that portion of the prorated year for which the
13 acquiring authority has possession of the property or part of
14 the property acquired in connection with or for public use or
15 public purposes, all taxes ~~and special-assessments~~ shall be
16 canceled by the county treasurer.

17 From the date of possession by the acquiring authority for
18 land or rights in land acquired in connection with or for
19 public use or public purposes, and for as long as ownership is
20 retained by the acquiring authority, a special assessment
21 shall not be certified by the county treasurer for collection
22 while under public ownership. However, the assessment may be
23 certified for collection by the county treasurer upon the sale
24 of the acquired property by the acquiring authority to a new
25 owner on a prorated basis. Special assessments certified to a
26 county treasurer for collection while under public ownership
27 shall be canceled by the county treasurer.

28 Upon sale of the acquired property by the acquiring
29 authority to a new owner, the new owner shall pay all ~~special~~
30 ~~assessments-and~~ property taxes which become due and payable or
31 would have become due and payable but for the acquisition by
32 the acquiring authority for the fiscal year the property is
33 acquired by the new owner in an amount equal to one-twelfth of
34 such the taxes and-assessments multiplied by the number of
35 months in the fiscal year in which the new owner acquired the

1 property which occurred after the month in which the new owner
2 acquired the property. ~~Thereafter, special assessments or~~
3 ~~installments of them which would have become due and payable~~
4 ~~after the date of the acquisition of the property by the new~~
5 ~~owner but for the acquisition of the property by the acquiring~~
6 ~~authority and this section, shall be reinstated by the~~
7 ~~county treasurer and shall be collectible as provided by law.~~

8 Sec. 2. This Act, being deemed of immediate importance,
9 takes effect upon enactment.

10 EXPLANATION

11 This bill provides that special assessments that have been
12 certified to the county treasurer for collection before a
13 parcel of property is acquired by eminent domain procedures
14 must be paid in full by the property owner before the
15 acquiring authority takes possession of the property.

16 The bill also provides that special assessments shall not
17 be certified for collection while property is under public
18 ownership, but the county treasurer may certify special
19 assessments for collection from a new owner on a prorated
20 basis upon sale of the property by the public owner.

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20 which become due and payable for the fiscal year the property
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22 ~~assessments~~ due and payable on the property acquired for the
23 preceding fiscal year multiplied by the number of months in
24 the fiscal year in which the property was acquired which
25 elapsed prior to the month in which the property owner
26 surrenders possession, and including that month if the
27 surrender of possession occurs after the fifteenth day of a
28 month. For purposes of computing the payments, the property
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30 eminent domain proceedings when the acquiring authority has
31 the right to obtain possession of the acquired property as
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9 ~~special-assessments on the property and apportion the payment~~
10 ~~on the basis of the levy in effect in the fiscal year in which~~
11 ~~the property is acquired.~~

12 For that portion of the prorated year for which the
13 acquiring authority has possession of the property or part of
14 the property acquired in connection with or for public use or
15 public purposes, all taxes ~~and special assessments~~ shall be
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SENATE FILE 198

AN ACT

RELATING TO THE PAYMENT OF SPECIAL ASSESSMENTS ON PROPERTY
ACQUIRED BY EMINENT DOMAIN AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA.

Section 1. Section 427.2, Code 1987, is amended to read as follows:

427.2 TAXABLE PROPERTY ACQUIRED THROUGH EMINENT DOMAIN.

Real estate occupied as a public road, and rights of way for established public levees and rights of way for established, open, public drainage improvements shall not be taxed.

When land or rights in land are acquired in connection with or for public use or public purposes, the acquiring authority shall assist in the collection of property taxes and special assessments. However, assistance in the collection of the property taxes and special assessments does not require the payment of property taxes and special assessments on the property acquired which exceed the amount of just compensation offered as required by section 472.45 for the acquisition of the property.

The property owner shall pay all property taxes and special assessments which are due and payable when the property owner surrenders possession of the property acquired and also those which become due and payable for the fiscal year the property is acquired in an amount equal to one-twelfth of the taxes and assessments due and payable on the property acquired for the preceding fiscal year multiplied by the number of months in the fiscal year in which the property was acquired which elapsed prior to the month in which the property owner surrenders possession, and including that month if the surrender of possession occurs after the fifteenth day of a month. For purposes of computing the payments, the property owner has surrendered possession of property acquired by eminent domain proceedings when the acquiring authority has the right to obtain possession of the acquired property as authorized by law. When all of the property is acquired for public use or public purposes, the property owner shall pay all special assessments in full which have been certified to the county treasurer for collection before the possession date of the acquiring authority. When part but not all of the property is acquired for public use or public purposes, taxing authorities may collect property taxes and special assessments which the property owner is obligated to pay, in accordance with chapter 446, from that part of the property which is not acquired. The county treasurer shall collect and accept the payment received on property acquired for public use or public

purposes as full and final payment of all property tax and ~~special assessments on the property and apportion the payment on the basis of the levy in effect in the fiscal year in which the property is acquired.~~

For that portion of the prorated year for which the acquiring authority has possession of the property or part of the property acquired in connection with or for public use or public purposes, all taxes and ~~special assessments~~ shall be canceled by the county treasurer.

From the date of possession by the acquiring authority for land or rights in land acquired in connection with or for public use or public purposes, and for as long as ownership is retained by the acquiring authority, a special assessment shall not be certified to the county treasurer for collection while under public ownership. However, the assessment may be certified for collection to the county treasurer upon the sale of the acquired property by the acquiring authority to a new owner on a prorated basis. Special assessments certified to a county treasurer for collection while under public ownership shall be canceled by the county treasurer.

Upon sale of the acquired property by the acquiring authority to a new owner, the new owner shall pay all ~~special assessments and~~ property taxes which become due and payable or would have become due and payable but for the acquisition by the acquiring authority for the fiscal year the property is acquired by the new owner in an amount equal to one-twelfth of such ~~the taxes and assessments~~ multiplied by the number of months in the fiscal year in which the new owner acquired the property. ~~Thereafter, special assessments or instalments of them which would have become due and payable after the date of the acquisition of the property by the new owner but for the acquisition of the property by the acquiring authority and this section shall be reinstated by the county treasurer and shall be collectible as provided by law.~~

Sec. 2. This Act, being deemed of immediate importance, takes effect upon enactment.

JO ANN ZIMMERMAN
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 198, Seventy-second General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved *April 27*, 1987

TERRY E. BRANSTAD
Governor