

**REVENUE DEPARTMENT[701]**

**Adopted and Filed**

**Rule making related to restrictions on assessors  
and deputy assessors assessing their own property**

The Revenue Department hereby amends Chapter 71, “Assessment Practices and Equalization,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code sections 421.14 and 441.17(2).

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 441.17(2) as amended by 2021 Iowa Acts, Senate File 366, section 76.

*Purpose and Summary*

This rule making is intended to implement changes made in the 2021 Legislative Session. Specifically, 2021 Iowa Acts, Senate File 366, section 76, removes the “immediate family” component from Iowa Code section 441.17(2), which prohibits assessors and deputy assessors from assessing their own property, property the assessor or deputy assessor has a financial interest in, and property owned by an entity in which the assessor or deputy assessor has a financial interest. Additionally, this rule making removes reporting requirements and requires that assessors and deputy assessors certify annually to the Director that they have not personally assessed the above properties.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on September 8, 2021, as **ARC 5887C**. No public comments were received. No changes from the Notice have been made.

*Adoption of Rule Making*

This rule making was adopted by the Department on October 13, 2021.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 701—7.28(17A).

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s

meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

*Effective Date*

This rule making will become effective on December 8, 2021.

The following rule-making action is adopted:

Amend rule 701—71.27(441) as follows:

**701—71.27(441) Assessor shall not assess own property.**

**71.27(1) Assessor and deputy assessor prohibited from assessing own property.** An assessor or deputy assessor shall not personally assess a property if the assessor or deputy assessor ~~or a member of the assessor's or deputy assessor's immediate family~~ owns the property, has a financial interest in the property, or has a financial interest in the entity that owns the property. The assessing jurisdiction shall pay all costs and expenses associated with the assessment of the above property.

**71.27(2) Report Certification to the department.**

~~a. Not later than January 1 of each year, assessors, and in the case that an assessing jurisdiction has a deputy assessor, deputy assessors, shall report certify to the director, using forms and procedures prescribed by the director, an inventory of all of the following real property in the assessor and deputy assessor's assessing jurisdiction that the assessor did not personally assess the following property in the previous assessment year:~~

- ~~(1) Property owned by the assessor;~~
- ~~(2) Property in which the assessor has a financial interest;~~
- ~~(3) Property owned by an entity in which the assessor has a financial interest.~~

- ~~(1) Properties owned by the assessor;~~
- ~~(2) Properties owned by a member of the assessor's immediate family;~~
- ~~(3) Properties in which the assessor or a member of the assessor's immediate family has a financial interest;~~
- ~~(4) Properties owned by an entity in which the assessor or a member of the assessor's immediate family has a financial interest;~~
- ~~(5) Properties owned by a deputy assessor;~~
- ~~(6) Properties owned by a member of the deputy assessor's immediate family;~~
- ~~(7) Properties in which a deputy assessor or a member of a deputy assessor's immediate family has a financial interest;~~
- ~~(8) Properties owned by an entity in which a deputy assessor or a member of a deputy assessor's immediate family has a financial interest.~~

~~b. Not later than March 1 of each year, assessors, and in the case that an assessing jurisdiction has a deputy assessor, deputy assessors, shall report to the director, using forms and procedures prescribed by the director, the property record card of each of the properties described in paragraph 71.27(2) "a" and additional information as required by the director. In the event a property described in paragraph 71.27(2) "a" was reported on January 1 but is no longer owned by one of the parties described in paragraph 71.27(2) "a" and none of the parties described in paragraph 71.27(2) "a" has a financial interest in the property or has a financial interest in the entity that owns the property, the assessor is not required to make the March 1 report described in this subrule for that property but shall report to the department the sale or other circumstances under which the property no longer requires reporting under this subrule.~~

~~c. In the event of an appeal to the board of review regarding the assessment of any of the properties described in paragraph 71.27(2) "a," the board of review shall report the results of the appeal to the director within 15 days following the adjournment of any regular or special session of the board of review.~~

~~b. Not later than January 1 of each year, deputy assessors shall certify to the director that the deputy assessor did not personally assess the following property in the previous assessment year:~~

- (1) Property owned by the deputy assessor;
- (2) Property in which the deputy assessor has a financial interest;
- (3) Property owned by an entity in which the deputy assessor has a financial interest.

c. Assessors and deputy assessors shall use forms and procedures prescribed and provided by the director for the certifications described in paragraphs 71.27(2)“a” and “b.”

**71.27(3) Powers and duties of director.** The director shall have and assume all of the powers and duties under Iowa Code section 421.17 in administering this rule.

**71.27(4) Definitions.** For purposes of this rule, the following definitions shall govern.

“*Financial interest*” includes but is not limited to the holding of legal title to real property or any ownership interest in an entity that holds legal title to real property. Notwithstanding the preceding sentence, ownership interest in an entity shall not be deemed a “financial interest” when a person’s ownership interest equals less than 10 percent of the entity’s total ownership interest.

~~“*Immediate family*” includes the spouse, children, or parents of the assessor or deputy assessor, including adoptive relationships. There is a rebuttable presumption that relatives of the assessor or deputy assessor beyond the relation of the spouse, children, or parents of the taxpayer are not within the taxpayer’s immediate family.~~

“*Personally assess*” means engaging in the listing, valuation, and classification of real property.

This rule is intended to implement Iowa Code section 441.17 as amended by 2020 Iowa Acts, House File 2641.

[Filed 10/15/21, effective 12/8/21]

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 11/3/21.