

CHAPTER 1060

PROPERTY TAXES FOR JOINT COUNTY-CITY BUILDINGS

S.F. 2137

AN ACT relating to certain property taxes for joint county-city buildings and including applicability provisions.

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

Section 1. Section 331.424, subsection 1, paragraph a, subparagraph (5), Code 2011, is amended by striking the subparagraph.

Sec. 2. Section 331.430, Code 2011, is amended by adding the following new subsection:
NEW SUBSECTION. 6. The taxes realized from the tax levy imposed under section 346.27, subsection 22, for a joint county-city building shall be deposited into a separate account in the county's debt service fund for the payment of the annual rent and shall be disbursed pursuant to section 346.27, subsection 22.

Sec. 3. Section 346.27, subsection 22, Code 2011, is amended to read as follows:
22. When an incorporating unit enters into a lease with the authority, the governing body of the incorporating unit shall provide by ordinance or resolution for the levy and collection of a direct annual tax sufficient to pay the annual rent payable under the lease as and when it becomes due and payable. The tax shall be levied and collected in like manner with the other taxes of the incorporating unit and shall be in addition to all other taxes authorized to be levied by that incorporating unit. This tax shall not be included within and shall be in addition to any statutory limitation of rate or amount for that incorporating unit. The fund taxes realized from the tax levy shall be set aside deposited into an account in the debt service fund of the incorporating unit for the payment of the annual rent and shall not be disbursed for any other purpose until the annual rental has been paid in full.

Sec. 4. Section 384.4, Code 2011, is amended by adding the following new subsection:
NEW SUBSECTION. 4. The taxes realized from the tax levy imposed under section 346.27, subsection 22, for a joint county-city building shall be deposited into a separate account in the city's debt service fund for the payment of the annual rent and shall be disbursed pursuant to section 346.27, subsection 22.

Sec. 5. Section 384.12, subsection 15, Code 2011, is amended by striking the subsection.

Sec. 6. Section 403.19, subsection 2, Code Supplement 2011, is amended to read as follows:

2. That portion of the taxes each year in excess of such amount shall be allocated to and when collected be paid into a special fund of the municipality to pay the principal of and interest on loans, moneys advanced to, or indebtedness, whether funded, refunded, assumed, or otherwise, including bonds issued under the authority of section 403.9, subsection 1, incurred by the municipality to finance or refinance, in whole or in part, an urban renewal project within the area, and to provide assistance for low and moderate income family housing as provided in section 403.22, ~~except that~~. However, taxes for the regular and voter-approved physical plant and equipment levy of a school district imposed pursuant to section 298.2, and taxes for the payment of bonds and interest of each taxing district must, and taxes imposed under section 346.27, subsection 22, related to joint county-city buildings shall be collected against all taxable property within the taxing district without limitation by the provisions of this subsection. However, all or a portion of the taxes for the physical plant and equipment levy shall be paid by the school district to the municipality if the auditor certifies to the school district by July 1 the amount of such levy that is necessary to pay the principal and interest on bonds issued by the municipality to finance an urban renewal project, which bonds were issued before July 1, 2001. Indebtedness incurred to refund bonds issued prior to July 1, 2001, shall not be included in the certification. Such school district shall pay over the amount certified by November 1 and May 1 of the fiscal year following

certification to the school district. Unless and until the total assessed valuation of the taxable property in an urban renewal area exceeds the total assessed value of the taxable property in such area as shown by the last equalized assessment roll referred to in subsection 1, all of the taxes levied and collected upon the taxable property in the urban renewal area shall be paid into the funds for the respective taxing districts as taxes by or for the taxing districts in the same manner as all other property taxes. When such loans, advances, indebtedness, and bonds, if any, and interest thereon, have been paid, all moneys thereafter received from taxes upon the taxable property in such urban renewal area shall be paid into the funds for the respective taxing districts in the same manner as taxes on all other property. In those instances where a school district has entered into an agreement pursuant to section 279.64 for sharing of school district taxes levied and collected from valuation described in this subsection and released to the school district, the school district shall transfer the taxes as provided in the agreement.¹

Sec. 7. APPLICABILITY. This Act applies to property taxes due and payable in fiscal years beginning on or after July 1, 2013.

Approved April 5, 2012

¹ See chapter 1124, §16, 26 herein