

426C.4 Eligibility and amount of credit.

1. *a.* Except as provided in paragraph “b”, parcels classified and taxed as commercial property, industrial property, or railway property under [chapter 434](#) are eligible for a credit under [this chapter](#). A person may claim and receive one credit under [this chapter](#) for each eligible parcel unless the parcel is part of a property unit for which a credit is claimed. A person may claim and receive one credit under [this chapter](#) for each property unit. A credit approved for a property unit shall be allocated to the several parcels within the property unit in the proportion that each parcel’s total amount of property taxes due and payable bears to the total amount of property taxes due and payable on the property unit. Only property units comprised of property assessed as commercial property, industrial property, or railway property under [chapter 434](#) are eligible for a credit under [this chapter](#). The classification of property used to determine eligibility for the credit under [this chapter](#) shall be the classification of the property for the assessment year used to calculate the taxes due and payable in the fiscal year for which the credit is claimed.

b. All of the following shall not be eligible to receive a credit under [this chapter](#) or be part of a property unit that receives a credit under [this chapter](#):

(1) Property that is rented or leased to low-income individuals and families as authorized by section 42 of the Internal Revenue Code, as amended.

(2) For credits claimed for the fiscal year beginning July 1, 2014, and the fiscal year beginning July 1, 2015, property that is a mobile home park, manufactured home community, land-leased community, assisted living facility, as those terms are defined in [section 441.21, subsection 13](#), or that is property primarily used or intended for human habitation containing three or more separate dwelling units.

2. Using the actual value of each parcel or property unit and the consolidated levy rate for each parcel or the average consolidated levy rate for each property unit, as certified by the county auditor to the department under [section 426C.3, subsection 5](#), the department shall calculate, for each fiscal year, an initial amount of actual value for use in determining the amount of the credit for each such parcel or property unit so as to provide the maximum possible credit according to the credit formula and limitations under [subsection 3](#), and to provide a total dollar amount of credits against the taxes due and payable in the fiscal year equal to ninety-eight percent of the moneys in the fund following the deposit of the appropriation for the fiscal year and including interest or earnings credited to the fund.

3. *a.* The amount of the credit for each parcel or property unit for which a claim for credit under [this chapter](#) has been approved shall be calculated under paragraph “b” using the lesser of the initial amount of actual value determined by the department under [subsection 2](#), and the amount of actual value of the parcel or property unit certified by the county auditor under [section 426C.3, subsection 5](#).

b. The amount of the credit for each parcel or property unit for which a claim for credit under [this chapter](#) has been approved shall be equal to the product of the amount of actual value determined under paragraph “a” times the difference, stated as a percentage, between the assessment limitation percentage applicable to the parcel or property unit under [section 441.21, subsection 5](#), and the assessment limitation percentage applicable to residential property under [section 441.21, subsection 4](#), divided by one thousand dollars, and then multiplied by the consolidated levy rate or average consolidated levy rate per one thousand dollars of taxable value applicable to the parcel or property unit for the fiscal year for which the credit is claimed as certified by the county auditor under [section 426C.3, subsection 5](#).

2013 Acts, ch 123, §6, 13; 2014 Acts, ch 1026, §143; 2014 Acts, ch 1131, §1, 4

Section takes effect July 1, 2013, and applies to property taxes due and payable in fiscal years beginning on or after July 1, 2014; 2013 Acts, ch 123, §13

2014 amendment to subsection 1, paragraph b, subparagraph (1) applies to assessment years beginning on or after January 1, 2015; 2014 Acts, ch 1131, §4