

CHAPTER 433

TELEGRAPH AND TELEPHONE COMPANIES TAX

Referred to in [§29C.24](#), [§331.401](#), [§427.1\(2\)](#), [§427.1\(40\)\(d\)](#), [§427.1\(40\)\(e\)](#), [§427.1\(40\)\(g\)](#), [§427A.1](#), [§427B.17](#), [§429.1](#), [§441.21](#), [§441.47](#), [§441.73](#)

Department of revenue to study property taxation of telecommunications companies; report due by August 1, 2015, for review by legislative telecommunications company property tax review committee; telecommunications companies required to submit and verify information to facilitate creation of report; [2013 Acts, ch 123, §36](#)

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433.1 Statement required.

Every telegraph and telephone company operating a line in this state shall, on or before the first day of May in each year, furnish to the department of revenue a statement verified by its president or secretary showing:

1. The total number of miles owned, operated, or leased within the state, with a separate showing of the number leased.
2. The average number of poles per mile, and the whole number of poles on its lines in this state.
3. The total number of miles in each separate line or division thereof, also the average number of separate wires thereon.
4. The whole number of stations on each line, and the value of the same, including furniture.
5. The whole number of instruments on each separate line, and the gross rental charges per instrument, where the same are rented to patrons of the company making the return, together with the number of stations maintained, other than railroad stations.
6. The gross receipts and operating expenses of said company for the year ending December 31 next preceding, on business originating and terminating in this state.
7. The gross receipts and operating expenses of said company for the year ending December 31 next preceding, and not included in the statement made under [subsection 6](#) hereof.
8. The total capital stock of said company.
9. The number of shares of capital stock issued and outstanding, and the par or face value of each share.
10. The market value of such shares of stock on the first day of January next preceding, and if such shares have no market value, the actual value thereof.
11. All real estate and other property owned by such company and subject to local taxation within this state.
12. The specific real estate, together with the permanent improvements thereon, owned by such company and situated outside this state and taxed as other real estate in the state where located, with a specific description of each piece, where located, and the purpose for which the same is used, and the actual value thereof in the locality where situated.
13. All mortgages upon the whole or any part of its property, together with the dates and amounts thereof.
14. The total length of the lines of said company.

15. The total length of the lines of said company outside this state.

[C97, §1328; S13, §1328; C24, 27, 31, 35, 39, §7031; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.1]

2003 Acts, ch 145, §286; 2015 Acts, ch 109, §22, 75

Referred to in §433.2, §433.3

433.2 Additional statement.

Upon the receipt of the statements required in [section 433.1](#) from the several companies, the department of revenue shall examine the statements. If the department deems the statements insufficient and that further information is requisite, the department shall require the officer making the statements to make such other or further statement as the department may desire.

[C97, §1329; S13, §1329; C24, 27, 31, 35, 39, §7032; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.2]

2003 Acts, ch 145, §286; 2014 Acts, ch 1092, §92; 2015 Acts, ch 109, §23, 75

433.3 Failure to make statement.

In case of failure or refusal of any company to make out or deliver to the department of revenue the statements required in [section 433.1](#), such company shall forfeit and pay to the state one hundred dollars for each day such report is delayed beyond the first day of May, to be sued and recovered in any proper form of action in the name of the state, and on the relation of the director of revenue, and such penalty, when collected, shall be paid into the general fund of the state.

[C97, §1329; S13, §1329; C24, 27, 31, 35, 39, §7033; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.3]

2003 Acts, ch 145, §286; 2015 Acts, ch 109, §24, 75

433.4 Assessment and exemption.

1. The department of revenue shall on or before October 31 each year, find the actual value of the property of telegraph and telephone companies in this state that is used by the companies in the transaction of telegraph and telephone business, taking into consideration the information obtained from the statements required, and any further information the department can obtain, using the same as a means for determining the actual value of the property of the companies within this state. The department shall also take into consideration the valuation of all property of the companies, including franchises and the use of the property in connection with lines outside the state, and making these deductions as may be necessary on account of extra value of property outside the state as compared with the value of property in the state, in order that the actual value of the property of the company within this state may be ascertained. The assessment shall include all property of every kind and character whatsoever, real, personal, or mixed, used by the companies in the transaction of telegraph and telephone business. The property so included in the assessment shall not be taxed in any other manner than as provided in [this chapter](#).

2. a. For assessment years beginning on or after January 1, 2013, each company assessed for taxation under [this chapter](#) shall receive a partial exemption from taxation on the value of the company's property as provided in [this subsection](#).

b. For the assessment year beginning January 1, 2013, the total amount of the exemption for each company shall be equal to the sum of the following amounts:

(1) An amount equal to twenty percent of the actual value of the property of such company for that assessment year, as determined under [subsection 1](#), that exceeds zero dollars but does not exceed twenty million dollars.

(2) An amount equal to seventeen and five-tenths percent of the actual value of the property of such company for that assessment year, as determined under [subsection 1](#), that exceeds twenty million dollars but does not exceed fifty-five million dollars.

(3) An amount equal to twelve and five-tenths percent of the actual value of the property of such company for that assessment year, as determined under [subsection 1](#), that exceeds fifty-five million dollars but does not exceed five hundred million dollars.

(4) An amount equal to ten percent of the actual value of the property of such company

for that assessment year, as determined under [subsection 1](#), that exceeds five hundred million dollars.

c. For the assessment year beginning January 1, 2014, and each assessment year thereafter, the total amount of the exemption for each company shall be equal to the sum of the following amounts:

(1) An amount equal to forty percent of the actual value of the property of such company for that assessment year, as determined under [subsection 1](#), that exceeds zero dollars but does not exceed twenty million dollars.

(2) An amount equal to thirty-five percent of the actual value of the property of such company for that assessment year, as determined under [subsection 1](#), that exceeds twenty million dollars but does not exceed fifty-five million dollars.

(3) An amount equal to twenty-five percent of the actual value of the property of such company for that assessment year, as determined under [subsection 1](#), that exceeds fifty-five million dollars but does not exceed five hundred million dollars.

(4) An amount equal to twenty percent of the actual value of the property of such company for that assessment year, as determined under [subsection 1](#), that exceeds five hundred million dollars.

[C97, §1330; S13, §1330; C24, 27, 31, 35, 39, §7034; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.4]

[95 Acts, ch 83, §23](#); [2003 Acts, ch 145, §286](#); [2009 Acts, ch 60, §9](#); [2013 Acts, ch 123, §31, 38, 39](#); [2014 Acts, ch 1092, §93](#); [2015 Acts, ch 109, §25, 75](#)

Referred to in [§433.5, §433.8](#)

2013 amendment takes effect June 12, 2013, and applies retroactively to assessment years beginning on or after January 1, 2013; [2013 Acts, ch 123, §38, 39](#)

433.5 Actual value per mile — exemption value per mile.

1. The department of revenue shall ascertain the actual value per mile of the property of each company within this state by dividing the total actual value, as ascertained under [section 433.4, subsection 1](#), by the number of miles of line of such company within the state, and the result shall be deemed and held to be the actual value per mile of line of the property of such company within this state.

2. The department of revenue shall ascertain the exemption value per mile of the property of each company within this state by dividing the amount of the exemption for that company determined under [section 433.4, subsection 2](#), by the number of miles of line of such company within the state, and the result shall be deemed and held to be the exemption value per mile of line for that company.

[S13, §1330-a; C24, 27, 31, 35, 39, §7035; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.5]

[2003 Acts, ch 145, §286](#); [2013 Acts, ch 123, §32, 38, 39](#); [2015 Acts, ch 109, §26, 75](#)

2013 amendment takes effect June 12, 2013, and applies retroactively to assessment years beginning on or after January 1, 2013; [2013 Acts, ch 123, §38, 39](#)

433.6 Taxable value. Repealed by [2013 Acts, ch 123, §35, 38, 39](#).

Repeal is effective June 12, 2013, and applies retroactively to assessment years beginning on or after January 1, 2013; [2013 Acts, ch 123, §38, 39](#)

433.7 Hearing.

At the time of determination of value by the department of revenue, any company interested shall have the right to appear, by its officers or agents, before the department of revenue and be heard on the question of the valuation of its property for taxation.

[S13, §1330-a; C24, 27, 31, 35, 39, §7037; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.7]

[2003 Acts, ch 145, §286](#); [2009 Acts, ch 60, §10](#); [2010 Acts, ch 1061, §58](#); [2015 Acts, ch 109, §27, 75](#)

433.8 Assessment in each county — how certified.

The department of revenue shall, for the purpose of determining what amount shall be assessed to each company in each county of the state into which the line of the said company

extends, certify to the several county auditors of the respective counties into, over, or through which said line extends the number of miles of line in the county for that company, the actual value per mile of line for that company, and the exemption value per mile of line for that company for exemptions received pursuant to [section 427.1, subsection 40](#), [section 433.4](#), or any other exemptions. In no case, however, shall the taxable value of the property be reduced below zero.

[S13, §1330-b; C24, 27, 31, 35, 39, §7038; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.8]

[2003 Acts, ch 145, §286](#); [2013 Acts, ch 123, §33, 38, 39](#); [2015 Acts, ch 109, §28, 75](#); [2015 Acts, ch 120, §42, 45](#)

Referred to in [§331.512, §433.9](#)

2013 amendment takes effect June 12, 2013, and applies retroactively to assessment years beginning on or after January 1, 2013; [2013 Acts, ch 123, §38, 39](#)

2015 amendment by 2015 Acts, ch 120, §42, applies to assessment years beginning on or after January 1, 2016; 2015 Acts, ch 120, §45

433.9 Entry of certificate.

At the first meeting of the board of supervisors held after the certification made under [section 433.8](#) is received by the county auditor, the board shall cause such certification to be entered in its minute book, and make and enter therein an order stating the length of the lines, the actual value of the property, and the exempted value of the property of each of said companies situated in each city, township, or lesser taxing district in its county, as fixed by the department of revenue. The value certified by the department of revenue, following application of the percentage of actual value under [section 441.21](#), and following the application of the exemption value certified by the department of revenue, shall constitute the taxable value of said property for taxing purposes, and the taxes on said property when collected by the county treasurer shall be disposed of as other taxes on real estate. The county auditor shall transmit a copy of said order to the council or trustees of each city or township in which the lines of said company extend.

[S13, §1330-c; C24, 27, 31, 35, 39, §7039; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.9]

[2003 Acts, ch 145, §286](#); [2013 Acts, ch 123, §34, 38, 39](#); [2015 Acts, ch 109, §29, 75](#)

Referred to in [§331.512](#)

2013 amendment takes effect June 12, 2013, and applies retroactively to assessment years beginning on or after January 1, 2013; [2013 Acts, ch 123, §38, 39](#)

433.10 Rate of taxation — collection.

All telegraph and telephone property shall be taxable upon said assessment at the same rates, by the same officers, and for the same purposes as the property of individuals within such counties, cities, townships, or lesser taxing districts, and the county treasurer shall collect such taxes at the same time and in the same manner as other taxes, and the same penalties for the nonpayment shall be due and collectible as for the nonpayment of individual taxes.

[S13, §1330-d; C24, 27, 31, 35, 39, §7040; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.10]

Referred to in [§331.512, §331.559](#)

433.11 Other real property.

Land, lots, and other real property belonging to a telegraph company or telephone company not used exclusively in its telegraph or telephone business are subject to assessment and taxation on the same basis as other property of individuals in the counties where situated.

[S13, §1330-e; C24, 27, 31, 35, 39, §7041; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.11]

[89 Acts, ch 296, §59](#)

Referred to in [§427.1\(2\)](#)

433.12 Definitions.

1. As used in [this chapter](#), unless the context otherwise requires, “book”, “list”, “record”, or “schedule” kept by a county auditor, assessor, treasurer, recorder, sheriff, or other county officer means the county system as defined in [section 445.1](#).

2. “Company” as used in [this chapter](#) means any person, partnership, association,

corporation, or syndicate that owns or operates, or is engaged in operating, any telegraph or telephone line, whether formed or organized under the laws of this state or elsewhere. “Company” includes a city that owns or operates a municipal utility providing local exchange services pursuant to [chapter 476](#).

[S13, §1330-f; C24, 27, 31, 35, 39, §7042; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.12]

[95 Acts, ch 83, §24](#); [99 Acts, ch 63, §6, 8](#); [2000 Acts, ch 1148, §1](#); [2008 Acts, ch 1032, §106](#)

433.13 Line operated by railroad.

No telegraph line shall be assessed which is owned and operated by any railroad company exclusively for the transaction of its business, and which has been duly reported as such in its annual report under the laws providing for the taxation of railroad property.

[C97, §1332; C24, 27, 31, 35, 39, §7043; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.13]

433.14 Maps required.

On or before the first day of August 1904, each telephone or telegraph company owning or operating a telephone or telegraph line, any part of which lies within the state of Iowa, shall file with the several county auditors of the counties within which any part of its line is located, a map of all its lines within said county, except its line within any platted city, drawn to a scale of not less than one inch to four miles, on which the location of the line or lines of said company is correctly shown. The map of any line situated upon any highway or street which is the dividing line between taxing districts shall show on which side of said street or highway said line is situated and shall locate all points at which said line may cross said street or highway. A statement showing the length of pole line in each taxing district of each company shall be filed when no map of the pole lines of such company is required under the terms of [this section](#). A telephone or telegraph company whose line is situated upon the right-of-way of a railway may file, in lieu of the map required to be filed by the provisions of [this section](#), a certificate setting forth along what lines of railway said company’s telephone or telegraph line extends. On or before the first day of March 1905, and annually thereafter, like maps, statements, or certificates shall be filed with the several county auditors of counties in which any part of said lines may have been extended, constructed, relocated, or taken down entirely, during the preceding calendar year, showing the correct location of all such new or relocated lines, and the location of any part abandoned or taken down, as the same existed on the thirty-first day of December preceding; provided county auditors of the several counties shall, upon application of any company owning or operating a telephone or telegraph line in their respective counties, furnish a map or maps accurately showing the boundaries of all taxing districts in said county, and the public highways located within such taxing districts.

[S13, §1400-a; C24, 27, 31, 35, 39, §7044; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.14]

Referred to in [§331.512](#), [§433.15](#), [§437.15](#)

433.15 Failure to file.

In the event of the failure or refusal of any telephone or telegraph company, owning or operating any telephone or telegraph line not situated upon the right-of-way of a railway, to file the map required under [section 433.14](#), at the time and according to the conditions named, then the county auditor may cause the map to be prepared by the county surveyor and the cost of it shall, in the first place, be audited and paid by the board of supervisors of the county and the amount shall be by the board levied as a special tax against the company and the property of the company, which shall be collected in the same manner as county taxes.

[S13, §1400-b; C24, 27, 31, 35, 39, §7045; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §433.15]

[83 Acts, ch 123, §178, 209](#)

Referred to in [§331.427](#), [§331.512](#), [§437.15](#)

Collection of taxes, see chapter 445