

**261A.27 Exercise of powers as essential public function — exemption from taxation.**

1. The exercise of the powers granted by [this chapter](#) will be in all respects for the benefit of the people of this state, for the increase of their commerce, welfare, and prosperity, and for the improvement of their health and living conditions, and as the operation and maintenance of a program by the authority or its agent will constitute the performance of an essential public function. Income of the authority is exempt from all taxation in the state. Property of the authority, acquired or held for purposes of [this chapter](#), is exempt from all taxation and special assessments in the state if the property was exempt for the fiscal year in which the property was first acquired or held and such property shall continue to be exempt for subsequent fiscal years. Property of the authority, acquired or held for purposes of [this chapter](#), is subject to taxation and special assessments in the state if the property was taxable for the fiscal year in which the property was first acquired or held and such property shall continue to be taxable for subsequent fiscal years.

2. Obligations issued by the authority on or after July 1, 2000, pursuant to either subchapter of [this chapter](#), their transfer, and income therefrom are exempt from taxation of any kind by the state or any political subdivision of the state.

[[82 Acts, ch 1031, §27](#)]

[2000 Acts, ch 1209, §1](#); [2017 Acts, ch 54, §37](#)

Referred to in [§422.7\(2\)\(m\)](#)