

**441.21A Commercial and industrial property tax replacement — replacement claims.**

1. *a.* For each fiscal year beginning on or after July 1, 2014, there is appropriated from the general fund of the state to the department of revenue an amount necessary for the payment of all commercial and industrial property tax replacement claims under [this section](#) for the fiscal year. However, for a fiscal year beginning on or after July 1, 2017, the total amount of moneys appropriated from the general fund of the state to the department of revenue for the payment of commercial and industrial property tax replacement claims in that fiscal year shall not exceed the total amount of money necessary to pay all commercial and industrial property tax replacement claims for the fiscal year beginning July 1, 2016.

*b.* Moneys appropriated by the general assembly to the department under [this subsection](#) for the payment of commercial and industrial property tax replacement claims are not subject to a uniform reduction in appropriations in accordance with [section 8.31](#).

2. Beginning with the fiscal year beginning July 1, 2014, each county treasurer shall be paid by the department of revenue an amount equal to the amount of the commercial and industrial property tax replacement claims in the county, as calculated in [subsection 4](#). If an amount appropriated for a fiscal year is insufficient to pay all replacement claims, the director of revenue shall prorate the payment of replacement claims to the county treasurers and shall notify the county auditors of the pro rata percentage on or before September 30.

3. On or before July 1 of each fiscal year beginning on or after July 1, 2014, the assessor shall report to the county auditor the total actual value of all commercial property and industrial property in the county that is subject to assessment and taxation for the assessment year used to calculate the taxes due and payable in that fiscal year.

4. On or before a date established by rule of the department of revenue of each fiscal year beginning on or after July 1, 2014, the county auditor shall prepare a statement, based upon the report received pursuant to [subsection 3](#), listing for each taxing district in the county:

*a.* The difference between the assessed valuation of all commercial property and industrial property for the assessment year used to calculate taxes which are due and payable in the applicable fiscal year and the actual value of all commercial property and industrial property that is subject to assessment and taxation for the same assessment year. If the difference between the assessed value of all commercial property and industrial property and the actual valuation of all commercial property and industrial property is zero, there is no tax replacement for that taxing district for the fiscal year.

*b.* The tax levy rate per one thousand dollars of assessed value for each taxing district for that fiscal year.

*c.* The commercial and industrial property tax replacement claim for each taxing district. The replacement claim is equal to the amount determined pursuant to paragraph “*a*”, multiplied by the tax rate specified in paragraph “*b*”, and then divided by one thousand dollars.

5. For purposes of computing replacement amounts under [this section](#), that portion of an urban renewal area defined as the sum of the assessed valuations defined in [section 403.19, subsections 1 and 2](#), shall be considered a taxing district.

6. *a.* The county auditor shall certify and forward one copy of the statement to the department of revenue not later than a date of each year established by the department of revenue by rule.

*b.* The replacement claims shall be paid to each county treasurer in equal installments in September and March of each year. The county treasurer shall apportion the replacement claim payments among the eligible taxing districts in the county.

*c.* If the taxing district is an urban renewal area, the amount of the replacement claim shall be apportioned and credited to those portions of the assessed value defined in [section 403.19, subsections 1 and 2](#), as follows:

(1) To that portion defined in [section 403.19, subsection 1](#), an amount of the replacement claim that is proportionate to the amount of actual value of the commercial and industrial property in the urban renewal area as determined in [section 403.19, subsection 1](#), that was subtracted pursuant to [section 403.20](#), as it bears to the total amount of actual value of the commercial and industrial property in the urban renewal area that was subtracted pursuant

to [section 403.20](#) for the assessment year for property taxes due and payable in the fiscal year for which the replacement claim is computed.

(2) To that portion defined in [section 403.19, subsection 2](#), the remaining amount, if any.

d. Notwithstanding the allocation provisions of paragraph “c”, the amount of the tax replacement amount that shall be allocated to that portion of the assessed value defined in [section 403.19, subsection 2](#), shall not exceed the amount equal to the amount certified to the county auditor under [section 403.19](#) for the fiscal year in which the claim is paid, after deduction of the amount of other revenues committed for payment on that amount for the fiscal year. The amount not allocated to that portion of the assessed value defined in [section 403.19, subsection 2](#), as a result of the operation of this paragraph, shall be allocated to that portion of assessed value defined in [section 403.19, subsection 1](#).

e. The amount of the replacement claim amount credited to the portion of the assessed value defined in [section 403.19, subsection 1](#), shall be allocated to and when received be paid into the fund for the respective taxing district as taxes by or for the taxing district into which all other property taxes are paid. The amount of the replacement claim amount credited to the portion of the assessed value defined in [section 403.19, subsection 2](#), shall be allocated to and when collected be paid into the special fund of the municipality under [section 403.19, subsection 2](#).

[2013 Acts, ch 123, §20, 22, 23](#)

Referred to in [§2.48, 257.3, 331.512, 331.559](#)