

**24.2A Budget statements to owners and taxpayers.**

1. For purposes of [this section](#) only:

a. “*Budget year*” is the fiscal year beginning during the calendar year in which a budget is certified.

b. “*Current fiscal year*” is the fiscal year ending during the calendar year in which a budget for the budget year is certified.

c. “*Effective property tax rate*” means the property tax rate per one thousand dollars of assessed value and is equal to one thousand multiplied by the quotient of the current fiscal year’s actual property tax dollars certified for levy divided by the total assessed value used to calculate taxes for the budget year.

d. “*Political subdivision*” means a school district, a county, or a city.

2. a. On or before 4:00 p.m. on March 5 of each year, each political subdivision shall file with the department of management a report containing all necessary information for the department of management to compile and calculate amounts required to be included in the statements mailed under paragraph “b”. If a county or city fails to file all necessary information with the department of management by 4:00 p.m. on March 5, taxes levied by the county or city shall be limited to the prior year’s budget amount.

b. Not later than March 15, the county auditor, using information compiled and calculated by the department of management under paragraph “a”, shall send to each property owner or taxpayer within the county by regular mail an individual statement containing all of the following for each of the political subdivisions comprising the owner’s or taxpayer’s taxing district:

(1) The sum of the current fiscal year’s actual property taxes certified for levy for all of the political subdivision’s levies and the combined property tax rate per one thousand dollars for such tax amount for the current fiscal year.

(2) The combined effective property tax rate for the political subdivision calculated using the sum of the current fiscal year’s actual property taxes certified for levy for all of the political subdivision’s levies under subparagraph (1).

(3) The combined amount of the proposed property tax dollars to be certified for all of the political subdivision’s levies for the budget year and the proposed combined property tax rate per one thousand dollars for such levies.

(4) If the proposed property tax dollars specified under subparagraph (3) exceeds the current fiscal year’s actual property tax dollars certified for levy specified in subparagraph (1), a detailed statement of the major reasons for the increase, including the specific purposes or programs for which the political subdivision is proposing an increase.

(5) For the budget for the fiscal year beginning July 1, 2024, an example comparing the amount of property taxes on a residential property with an actual value of one hundred thousand dollars in the current fiscal year and such amount on the residential property using the proposed property tax dollars for the budget year, including the percent change in such amounts. For the budget for fiscal years beginning on or after July 1, 2025, an example comparing the amount of property taxes on a residential property with an actual value of one hundred thousand dollars in the current fiscal year and one hundred ten percent of such amount on the residential property using the proposed property tax dollars for the budget year, including the percent change in such amounts.

(6) For the budget for the fiscal year beginning July 1, 2024, an example comparing the amount of property taxes on a commercial property with an actual value of one hundred thousand dollars in the current fiscal year and such amount on the commercial property using the proposed property tax dollars for the budget year, including the percent change in such amounts. For the budget for fiscal years beginning on or after July 1, 2025, an example comparing the amount of property taxes on a commercial property with an actual value of three hundred thousand dollars in the current fiscal year and one hundred ten percent of such amount on the commercial property using the proposed property tax dollars for the budget year, including the percent change in such amounts.

(7) The political subdivision’s percentage of total property taxes certified for levy in the owner’s or taxpayer’s taxing district in the current fiscal year among all taxing authorities.

(8) The date, time, and location of the political subdivision’s public hearing required under [subsection 4](#).

(9) Information on how to access on the political subdivision’s internet site the political subdivision’s statements under [this section](#) and other budget documents for prior fiscal years.

(10) A link to the department of management’s internet site where the property owner or taxpayer may view an example of the statement and a brief explanation of the information included on the statement.

3. The department of management shall prescribe the form for the report required under [subsection 2](#), paragraph “a”, the statements required to be mailed under [subsection 2](#), paragraph “b”, and the public hearing notice required under [subsection 4](#), paragraph “b”.

4. a. Each political subdivision shall set a time and place for a public hearing on the political subdivision’s proposed property tax amount for the budget year and the political subdivision’s information included in the statements under [subsection 2](#). The proposed property tax hearing shall be set on a date on or after March 20 of the budget year immediately preceding the budget year for which the tax is being proposed. At the hearing, the governing body of the political subdivision shall receive oral or written testimony from any resident or property owner of the political subdivision. This public hearing shall be separate from any other meeting of the governing body of the political subdivision, including any other meeting or public hearing relating to the political subdivision’s budget, and other business of the political subdivision that is not related to the proposed property tax amounts and the information in the statements shall not be conducted at the public hearing. After all testimony has been received and considered, the governing body may decrease, but not increase, the proposed property tax amount to be included in the political subdivision’s budget.

b. (1) If the political subdivision is a county, notice of the public hearing shall be published not less than ten nor more than twenty days prior to the hearing in the county newspapers selected under [chapter 349](#).

(2) If the political subdivision is a city, notice of the public hearing shall be published not less than ten nor more than twenty days prior to the hearing in a newspaper published at least once weekly and having general circulation in the city. However, if the city has a population of two hundred or less, publication may be made by posting in three public places in the city.

(3) If the political subdivision is a school district, notice of the public hearing shall be published not less than ten nor more than twenty days prior to the hearing in a newspaper published in the school district, if any, and if not, then in a newspaper of general circulation in the school district.

(4) Failure of a newspaper to publish a required notice under this paragraph shall not be considered a failure of a political subdivision to provide required notice under this paragraph if all of the following conditions are met:

(a) Notice of the public hearing was provided to each property owner and each taxpayer within the political subdivision in statements required under [subsection 2](#), paragraph “b”.

(b) The political subdivision can demonstrate to the county auditor that the political subdivision provided sufficient time for the newspaper to publish the notice.

c. Notice of the hearing shall also be posted and clearly identified on the political subdivision’s internet site for public viewing beginning on the date of the newspaper publication and shall be maintained on the political subdivision’s internet site with all such prior year notices. Additionally, if the political subdivision maintains a social media account on one or more social media applications, the public hearing notice or an electronic link to the public hearing notice shall be posted on each such account on a date no later than the date of publication of the notice.

[2023 Acts, ch 71, §64, 98; 2024 Acts, ch 1094, §26 – 32, 47, 48](#)

Referred to in [§24.10, 24.20, 331.434, 331.435, 384.16, 384.17, 384.18](#)

Section applies to political subdivision budgets for fiscal years beginning on or after July 1, 2024; 2023 Acts, ch 71, §98

Subsection 2, paragraph b, subparagraph (10) applies retroactively to January 1, 2024; 2024 Acts, ch 1094, §48

Subsection 4, paragraph b, subparagraph (4) applies retroactively to January 1, 2024; 2024 Acts, ch 1094, §48

2024 amendment to subsection 4, paragraph c applies retroactively to January 1, 2024; 2024 Acts, ch 1094, §48

Subsection 2, paragraph a amended

Subsection 2, paragraph b, unnumbered paragraph 1 amended

Subsection 2, paragraph b, subparagraphs (5) and (6) amended

Subsection 2, paragraph b, NEW subparagraph (10)

Subsection 4, paragraph a amended  
Subsection 4, paragraph b, NEW subparagraph (4)  
Subsection 4, paragraph c amended