

404.3C Assessment agreements — commercial property.

1. For revitalization areas established under [this chapter](#) on or after July 1, 2024, and for first-year exemption applications for property located in a revitalization area in existence on July 1, 2024, filed on or after July 1, 2024, commercial property shall not receive a tax exemption under [this chapter](#) unless the city or county, as applicable, and the owner of the qualified real estate enter into a written assessment agreement specifying a minimum actual value until a specified termination date for the duration of the exemption period.

2. *a.* The assessment agreement shall be presented to the appropriate assessor. The assessor shall review the plans and specifications for the improvements to be made to the property and if the minimum actual value contained in the assessment agreement appears to be reasonable, the assessor shall execute the following certification upon the agreement:

The undersigned assessor, being legally responsible for the assessment of the above described property upon completion of the improvements to be made on it, certifies that the actual value assigned to that land and improvements upon completion shall not be less than \$.....

b. The assessment agreement with the certification of the assessor and a copy of [this subsection](#) shall be filed in the office of the county recorder of the county where the property is located. Upon completion of the improvements, the assessor shall value the property as required by law, except that the actual value shall not be less than the minimum actual value contained in the assessment agreement. [This subsection](#) does not prohibit the assessor from assigning a higher actual value to the property or prohibit the owner from seeking administrative or legal remedies to reduce the actual value assigned except that the actual value shall not be reduced below the minimum actual value contained in the assessment agreement. An assessor, county auditor, board of review, director of revenue, or court of this state shall not reduce or order the reduction of the actual value below the minimum actual value in the agreement during the term of the agreement regardless of the actual value which may result from the incomplete construction of improvements, destruction or diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording of an assessment agreement complying with [this subsection](#) constitutes notice of the assessment agreement to a subsequent purchaser or encumbrancer of the land or any part of it, whether voluntary or involuntary, and is binding upon a subsequent purchaser or encumbrancer.

[2023 Acts, ch 71, §57, 59](#)

Referred to in [§419.17](#)

Section effective July 1, 2024; [2023 Acts, ch 71, §59](#)

NEW section