

28E.39 Referendum for ad valorem tax sharing.

1. An agreement establishing a community cluster shall require the approval of the registered voters residing within the area of the cluster if the agreement provides for the sharing of revenues from ad valorem property taxes. The proposition shall be submitted to the electorate by each governmental unit forming the community cluster to the electors residing within the area of the governmental unit at a general election or at a special election. However, if a county has designated only certain townships as being included within the community cluster, the proposition shall be submitted to the electorate of the county residing only in the townships included in the community cluster.

2. The ballot for the election shall be prepared in substantially the form for submitting special questions at general elections.

3. If a majority of the registered voters in the area of each governmental unit within the proposed community cluster voting on the proposition vote in favor of the proposition, then the agreement establishing the community cluster shall take effect and the sharing of revenues from ad valorem property taxes is authorized. If the proposition fails in the area of one or more governmental units within the proposed community cluster voting on the proposition, then the governmental units in which the proposition passed may establish the community cluster in those areas in which the proposition passed and the sharing of revenues from ad valorem property taxes is authorized.

[90 Acts, ch 1200, §5](#); [95 Acts, ch 67, §53](#); [2017 Acts, ch 54, §76](#)