

**298.2 Imposition of physical plant and equipment levy.**

1. *a.* A physical plant and equipment levy of not exceeding one dollar and sixty-seven cents per thousand dollars of assessed valuation in the district is established except as otherwise provided in [this subsection](#). The physical plant and equipment levy consists of the regular physical plant and equipment levy of not exceeding thirty-three cents per thousand dollars of assessed valuation in the district and a voter-approved physical plant and equipment levy of not exceeding one dollar and thirty-four cents per thousand dollars of assessed valuation in the district. However, the voter-approved physical plant and equipment levy may consist of a combination of a physical plant and equipment property tax levy and a physical plant and equipment income surtax as provided in [subsection 4](#) with the maximum amount levied and imposed limited to an amount that could be raised by a one dollar and thirty-four cent property tax levy.

*b.* For school budget years beginning on or after July 1, 2015, a school district may by resolution of the board of directors adopted prior to April 30 preceding the budget year impose a physical plant and equipment levy at a rate in excess of the levy rate limitations under paragraph “*a*” if the board has refunded or refinanced a loan agreement entered into under [section 297.36](#) and such refunding or refinancing complies with the maturity period authorized under [section 297.36, subsection 1](#), paragraph “*c*”, and results in a lower amount of interest on the amount of the loan agreement. However, the rate imposed by a school district under this paragraph shall not exceed the rate imposed during the budget year in which the loan agreement was refunded or refinanced. Authorization to exceed the levy rate limitations of paragraph “*a*” shall terminate upon the maturity of the loan agreement after refunding or refinancing. Upon adoption of the resolution under this paragraph “*b*”, the board shall comply with the requirements of [section 297.36, subsection 1](#), paragraph “*b*”.

2. If the electors of a school district have authorized a voter-approved physical plant and equipment levy not exceeding sixty-seven cents per thousand dollars of assessed valuation in the district prior to July 1, 1997, the levy shall continue for the period authorized under the voter-approved levy, and the maximum levy that can be authorized by the electors under the voter-approved levy on or after July 1, 1997, under [this section](#), is an additional sixty-seven cents for a period to coincide with the period for which the initial physical plant and equipment levy in the district was approved.

3. The board of directors of a school district may certify for levy by April 30 of a school year a tax on all taxable property in the school district for the regular physical plant and equipment levy.

4. *a.* The board may on its own motion, and upon the written request of not less than one hundred eligible electors or thirty percent of the number of eligible electors voting at the last regular school election, whichever is greater, shall, direct the county commissioner of elections to provide for submitting the proposition of levying the voter-approved physical plant and equipment levy for a period of time authorized by the voters at the election, not to exceed ten years. The election shall be held on a date specified in [section 39.2, subsection 4](#), paragraph “*c*”. The proposition is adopted if a majority of those voting on the proposition at the election approves it. The voter-approved physical plant and equipment levy shall be funded either by a physical plant and equipment property tax or by a combination of a physical plant and equipment property tax and a physical plant and equipment income surtax, as determined by the board. However, if the board intends to enter into a rental or lease arrangement under [section 279.26](#), or intends to enter into a loan agreement under [section 297.36](#), only a property tax shall be levied for those purposes. Subject to the limitations of [section 298.14](#), if the board uses a combination of a physical plant and equipment property tax and a physical plant and equipment surtax, for each fiscal year the board shall determine the percent of income surtax to be imposed expressed as full percentage points, not to exceed twenty percent.

*b.* If a combination of a property tax and income surtax is used, by April 30 of the previous school year, the board shall certify the percent of the income surtax to be imposed and the amount to be raised to the department of management and the department of management shall establish the rate of the property tax and income surtax for the school year. The physical

plant and equipment property tax and income surtax shall be levied or imposed, collected, and paid to the school district in the manner provided for the instructional support program in [sections 257.21 through 257.26](#).

5. *a.* The proposition to levy the voter-approved physical plant and equipment levy is not affected by a change in the boundaries of the school district, except as otherwise provided in [this section](#). If each school district involved in a school reorganization under [chapter 275](#) has adopted the voter-approved physical plant and equipment levy, and if the voters have not voted upon the proposition to levy the voter-approved physical plant and equipment levy in the reorganized district, the existing voter-approved physical plant and equipment levy is in effect for the reorganized district for the least amount and the shortest time for which it is in effect in any of the districts.

*b.* An authorized levy for the period of time approved is not affected as a result of a failure of a proposition proposed to expand the purposes for which the funds may be expended.

[89 Acts, ch 135, §107; 92 Acts, ch 1187, §7; 93 Acts, ch 1, §9, 10; 97 Acts, ch 182, §1, 2; 2009 Acts, ch 57, §80; 2010 Acts, ch 1033, §42; 2013 Acts, ch 88, §28, 29; 2015 Acts, ch 122, §1, 2; 2023 Acts, ch 71, §72 – 74, 98](#)

Referred to in [§257.19, 257.31, 274.37, 275.12, 279.26, 283A.9, 292.1, 297.36, 298.14, 298A.4, 403.19, 423F3](#)

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