

384.1 Taxes certified.

1. A city may certify taxes to be levied by the county on all taxable property within the city limits, for all city government purposes.

2. Notwithstanding [subsection 3](#), the tax levied by a city on tracts of land and improvements thereon used and assessed for agricultural or horticultural purposes, shall not exceed three dollars and three-eighths cents per thousand dollars of assessed value in any fiscal year. Improvements located on such tracts of land and not used for agricultural or horticultural purposes and all residential dwellings are subject to the same rate of tax levied by the city on all other taxable property within the city.

3. a. For fiscal years beginning before July 1, 2024, a city's tax levy for the general fund shall not exceed eight dollars and ten cents per thousand dollars of assessed value used to calculate taxes in any fiscal year, except for the levies authorized in [section 384.12](#).

b. Subject to adjustment under paragraph "c", subparagraph (2), for purposes of [this subsection](#), "adjusted city general fund levy rate" means a levy rate per thousand dollars of assessed value equal to the sum of eight dollars and ten cents per thousand dollars of assessed value plus the sum of the following for the city, as applicable:

(1) The amount per thousand dollars of assessed value levied by or on behalf of the city under [section 384.8, Code 2023](#), for the fiscal year beginning July 1, 2023.

(2) The total amount per thousand dollars of assessed value levied by or on behalf of the city under [section 384.12, subsections 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 15, 16, and 20, Code 2023](#), for the fiscal year beginning July 1, 2023.

(3) The amount per thousand dollars of assessed value levied by the city under [section 24.48, Code 2023](#), for the fiscal year beginning July 1, 2023.

c. (1) For each fiscal year beginning on or after July 1, 2024, but before July 1, 2028, subject to subparagraph (3), a city's tax levy for the general fund, except for levies authorized in [section 384.12](#), shall not exceed in any tax year the greater of eight dollars and ten cents per thousand dollars of assessed value used to calculate taxes for the budget year and the adjusted city general fund levy rate, as adjusted under subparagraph (2), if applicable.

(2) (a) If the total assessed value used to calculate taxes under this paragraph for the budget year exceeds one hundred two and seventy-five hundredths percent, but is less than one hundred four percent, of the total assessed value used to calculate taxes under [this subsection](#) for the current fiscal year, the adjusted city general fund levy rate, as previously adjusted under this subparagraph, if applicable, shall be reduced to a rate per thousand dollars of assessed value that is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy under [this subsection](#) divided by one hundred one percent of the total assessed value used to calculate such taxes for the current fiscal year. For the budget year beginning July 1, 2024, only, the current fiscal year's actual property tax dollars certified for levy under [this subsection](#) shall also include property tax dollar amounts levied under the provisions specified in paragraph "b", subparagraphs (1), (2), and (3).

(b) If the total assessed value used to calculate taxes under this paragraph for the budget year exceeds one hundred four percent, but is less than one hundred six percent, of the total assessed value used to calculate taxes under [this subsection](#) for the current fiscal year, the adjusted city general fund levy rate, as previously adjusted under this subparagraph, if applicable, shall be reduced to a rate per thousand dollars of assessed value that is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy under [this subsection](#) divided by one hundred two percent of the total assessed value used to calculate such taxes for the current fiscal year. For the budget year beginning July 1, 2024, only, the current fiscal year's actual property tax dollars certified for levy under [this subsection](#) shall also include property tax dollar amounts levied under the provisions specified in paragraph "b", subparagraphs (1), (2), and (3).

(c) If the total assessed value used to calculate taxes under this paragraph for the budget year is equal to or exceeds one hundred six percent of the total assessed value used to calculate taxes under [this subsection](#) for the current fiscal year, the adjusted city general fund levy rate, as previously adjusted under this subparagraph, if applicable, shall be reduced to

a rate per thousand dollars of assessed value that is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy under [this subsection](#) divided by one hundred three percent of the total assessed value used to calculate such taxes for the current fiscal year. For the budget year beginning July 1, 2024, only, the current fiscal year's actual property tax dollars certified for levy under [this subsection](#) shall also include property tax dollar amounts levied under the provisions specified in paragraph "b", subparagraphs (1), (2), and (3).

(3) (a) (i) In addition to the limitation under subparagraph (2), if the city's actual levy rate imposed under [this subsection](#) for the current fiscal year is eight dollars and ten cents or less per thousand dollars of assessed value and the total assessed value used to calculate taxes under this paragraph for the budget year exceeds one hundred two and seventy-five hundredths percent, but is less than one hundred four percent, of the total assessed value used to calculate taxes under [this subsection](#) for the current fiscal year, the levy rate imposed under this paragraph for the budget year shall not exceed a rate per thousand dollars of assessed value that is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy under [this subsection](#) divided by one hundred two percent of the total assessed value used to calculate taxes under [this subsection](#) for the current fiscal year.

(ii) For the budget year beginning July 1, 2024, only, the city's actual levy rate imposed under [this subsection](#) for the current fiscal year shall also include the sum of the amounts per thousand dollars of assessed value specified in paragraph "b", subparagraphs (1), (2), and (3), and the current fiscal year's actual property tax dollars certified for levy under [this subsection](#) shall also include property tax dollar amounts levied by the city under the provisions specified in paragraph "b", subparagraphs (1), (2), and (3).

(b) (i) In addition to the limitation under subparagraph (2), if the city's actual levy rate imposed under [this subsection](#) for the current fiscal year is eight dollars and ten cents or less per thousand dollars of assessed value and the total assessed value used to calculate taxes under this paragraph for the budget year exceeds one hundred four percent, but is less than one hundred six percent, of the total assessed value used to calculate taxes under [this subsection](#) for the current fiscal year, the levy rate imposed under this paragraph for the budget year shall not exceed a rate per thousand dollars of assessed value that is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy under [this subsection](#) divided by one hundred two percent of the total assessed value used to calculate taxes under [this subsection](#) for the current fiscal year.

(ii) For the budget year beginning July 1, 2024, only, the city's actual levy rate imposed under [this subsection](#) for the current fiscal year shall also include the sum of the amounts per thousand dollars of assessed value specified in paragraph "b", subparagraphs (1), (2), and (3), and the current fiscal year's actual property tax dollars certified for levy under [this subsection](#) shall also include property tax dollar amounts levied by the city under the provisions specified in paragraph "b", subparagraphs (1), (2), and (3).

(c) (i) In addition to the limitation under subparagraph (2), if the city's actual levy rate imposed under [this subsection](#) for the current fiscal year is eight dollars and ten cents or less per thousand dollars of assessed value and the total assessed value used to calculate taxes under this paragraph for the budget year is equal to or exceeds one hundred six percent of the total assessed value used to calculate taxes under [this subsection](#) for the current fiscal year, the levy rate imposed under this paragraph for the budget year shall not exceed a rate per thousand dollars of assessed value that is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy under [this subsection](#) divided by one hundred three percent of the total assessed value used to calculate taxes under [this subsection](#) for the current fiscal year.

(ii) For the budget year beginning July 1, 2024, only, the city's actual levy rate imposed under [this subsection](#) for the current fiscal year shall also include the sum of the amounts per thousand dollars of assessed value specified in paragraph "b", subparagraphs (1), (2), and (3), and the current fiscal year's actual property tax dollars certified for levy under [this subsection](#) shall also include property tax dollar amounts levied by the city under the provisions specified in paragraph "b", subparagraphs (1), (2), and (3).

(4) Notwithstanding other provisions of this paragraph, if a city's actual levy rate for the current fiscal year is zero dollars per thousand dollars of assessed value and the total assessed value used to calculate taxes under this paragraph for the budget year exceeds one hundred two and seventy-five hundredths percent, the city's tax levy imposed by this paragraph may be levied at a rate not to exceed eight dollars and ten cents per thousand dollars of assessed valuation.

d. For each fiscal year beginning on or after July 1, 2028, a city's tax levy rate for the general fund, except for levies authorized in [section 384.12](#), shall not exceed eight dollars and ten cents per thousand dollars of assessed value used to calculate taxes in any fiscal year.

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

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.

[C97, §616, 890; S13, §616; C24, 27, 31, 35, 39, §6210; C46, 50, §404.4; C54, 58, 62, 66, 71, 73, §404.1, 404.2, 404.15; C75, 77, 79, 81, §384.1]

[89 Acts, ch 296, §39; 2023 Acts, ch 71, §14, 19; 2024 Acts, ch 1094, §40, 47, 57, 58](#)

Referred to in [§37.8, 331.263, 357B.8, 357J.15, 373.10, 384.12, 386.8, 386.9](#)

2023 amendment applies to taxes and budgets for fiscal years beginning on or after July 1, 2024; 2023 Acts, ch 71, §19

2024 amendment to subsection 3, paragraph c, subparagraphs (2) and (3) applies to taxes and budgets for fiscal years beginning on or after July 1, 2025; 2024 Acts, ch 1094, §58