

**261—200.10(15J) Cessation of deposits, district dissolution, and requests for extension.**

**200.10(1)** *Cessation of deposits.* As of the date 20 years after the district's commencement date, the department will cease to deposit new tax revenues into the district's account unless the municipality dissolves the district by ordinance or resolution prior to that date or the board has approved an extension pursuant to subrule 200.10(3). Once the maximum benefit amount approved by the board for the district has been reached, the department will cease to deposit new tax revenues into the district's account. If a district reaches the maximum benefit amount, the department will notify the municipality within a reasonable amount of time.

**200.10(2)** *District dissolution.* If a municipality dissolves a district by ordinance or resolution prior to the expiration of the 20-year period, the municipality shall notify the director of revenue of the dissolution as soon as practicable after adoption of the ordinance or resolution, and the department shall, as of the effective date of dissolution, cease to deposit state sales tax revenues and state hotel and motel tax revenues into the district's account within the fund. If a municipality is notified that its maximum benefit amount has been reached, the municipality shall dissolve the district by ordinance or resolution as soon as practicable after notification.

**200.10(3)** *Requests for extension.* Upon request of the municipality prior to the dissolution of the district, and following a determination by the board that the amounts of new state sales tax revenue and new state hotel and motel tax revenue deposited in the municipality's reinvestment project fund are substantially lower than the maximum benefit amount, the board may extend the district's 20-year period of time for depositing and receiving revenues by up to five additional years if such an extension is in the best interest of the public.

[ARC 1175C, IAB 11/13/13, effective 12/18/13; ARC 5319C, IAB 12/16/20, effective 1/20/21]