

**281—98.112(275) Equalization levy fund.** If necessary to equalize the division of liabilities and distribution of assets in a reorganization, merger, or dissolution, the board of a school district may provide for the levy of additional taxes upon the property of the former district so as to effect equalization pursuant to Iowa Code section 275.31. Once the levy has been received, the district will transfer the funds before the end of the fiscal year to the funds for which equalization was necessary and for which the taxes were levied.

**98.112(1)** *Sources of revenue for the equalization levy fund.* Sources of revenue for the equalization levy fund include a tax levy, pursuant to Iowa Code section 275.31, and interest on those moneys.

**98.112(2)** *Appropriate uses of the equalization levy fund.* Appropriate expenditures from the equalization levy fund are limited to transfers to the funds, in the same proportion, for which equalization was necessary and for which the taxes were levied.

**98.112(3)** *Inappropriate uses of the equalization levy fund.* Inappropriate uses of the equalization levy fund would include transfers to any fund for which equalization was not required or for which the equalization tax was not levied and any uses other than transfers.

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