

701—271.1(422E) Use of revenues and definitions.

271.1(1) Use of revenues. Revenues from this tax may be used for the following:

a. “School infrastructure needs,” which are activities that a school district has authorized by contract of indebtedness and the issuance of general obligation bonds under Iowa Code section 296.1 and payment or retirement of outstanding bonds previously issued for school infrastructure as defined in this chapter. “School infrastructure needs” does not include activities related to a school teacher’s or school superintendent’s home or homes. Allowed “activities” consist of the following: construction; reconstruction; repair; demolition work; purchases for construction or remodeling of schoolhouses, stadiums, gyms, fieldhouses, and bus garages. Allowed “activities” include all activities in which revenues are allowed to be expended under Iowa Code Supplement section 298.3, which include: purchase and improvement of grounds; construction of schoolhouses or building and opening roads to these facilities; purchase of buildings; purchase, lease or lease-purchase of equipment or technology exceeding \$500 value per unit; payment of debts contracted for the erection of schoolhouses or buildings; procuring or acquisition of library facilities; repairing, remodeling, reconstructing, improving, or expanding the schoolhouses or buildings, and any additions to existing schoolhouses; expenditures for energy conservation; rental of facilities under Iowa Code chapter 28E; purchase of transportation equipment for transporting students; lease-purchase agreements for school buildings and equipment exceeding \$5,000 per single unit; equipment purchases for recreational purposes; payments to municipalities or other entities as required in Iowa Code section 403.19(2); and activities set forth under the educational and recreational tax as provided in Iowa Code section 300.2.

b. Property tax relief. Revenues from this school infrastructure local option sales and services tax may be used to provide property tax relief.

271.1(2) Definitions. The following definitions shall be used in interpreting the rules of this chapter:

“*Department*” means the Iowa department of revenue.

“*Director*” means the director of the Iowa department of revenue.

“*Guaranteed school infrastructure amount*” or “*guaranteed amount or payment*” means an amount of revenues from the school infrastructure local option sales and services tax to be received by a school district based on the statewide tax revenues per student, multiplied by the quotient of the tax rate percentage imposed in the county, divided by 1 percent and multiplied by the quotient of the number of quarters the tax is imposed during the fiscal year, divided by four quarters.

“*Sales tax capacity per student*” means the estimated amount of revenues that a school district receives or would receive if a school infrastructure local option sales and services tax is imposed at 1 percent in the county pursuant to Iowa Code Supplement section 422E.2, divided by the school district’s actual enrollment. Actual enrollment for a school district is obtained from the department of education as provided in 109.4(1).

“*Statewide tax revenues per student*” currently means \$575 per student. The general assembly shall review this amount annually to determine its appropriateness.

“*Supplemental school infrastructure amount*” or “*supplemental amount*” or “*supplemental payment*” means the guaranteed school infrastructure amount for the school district less its pro-rata share of the school infrastructure local option sales and services tax as provided in 109.4(1).

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