

Senate Amendment 5577

Amendment Text

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1 1 Amend [House File 2560](#), as amended, passed, and
1 2 reprinted by the House, as follows:
1 3 #1. Page 4, by striking lines 31 and 32 and
1 4 inserting the following: "credits in excess of tax
1 5 liabilities shall be refunded as provided in section
1 6 404A.4, subsection 3."
1 7 #2. Page 5, by striking lines 28 through 31 and
1 8 inserting the following: "the project completion
1 9 date.
1 10 For purposes of this chapter, qualified
1 11 rehabilitation costs include amounts if they are
1 12 properly includable in computing the basis for tax
1 13 purposes of the eligible property. Amounts treated as
1 14 an expense and deducted in the tax year in which they
1 15 are paid or incurred and amounts that are otherwise
1 16 not added to the basis for tax purposes of the
1 17 eligible property are not qualified rehabilitation
1 18 costs. Amounts incurred for architectural and
1 19 engineering fees, site survey fees, legal expenses,
1 20 insurance premiums, development fees, and other
1 21 construction-related costs are qualified
1 22 rehabilitation costs to the extent they are added to
1 23 the basis for tax purposes of the eligible property.
1 24 Costs of sidewalks, parking lots, and landscaping do
1 25 not constitute qualified rehabilitation costs."
1 26 #3. Page 7, line 2, by striking the word
1 27 "TRANSFER" and inserting the following: "REFUND".
1 28 #4. Page 7, line 15, by inserting after the word
1 29 "credit," the following: "and".
1 30 #5. Page 7, by striking lines 16 through 30 and
1 31 inserting the following: "information required by the
1 32 department of revenue and finance.
1 33 3. A person receiving a property rehabilitation
1 34 tax credit under this chapter which is in excess of
1 35 the person's tax liability for the tax year is
1 36 entitled to a refund of the excess at a discounted
1 37 value. The discounted value of the tax credit refund,
1 38 as calculated by the historical preservation office in
1 39 consultation with the department of revenue and
1 40 finance, shall be determined based on the discounted
1 41 value of the tax credit five years after the tax year
1 42 of the project completion at an interest rate
1 43 equivalent to the prime rate plus two percent. The
1 44 refunded tax credit shall not exceed seventy-five
1 45 percent of the allowable tax credit."
1 46 #6. Page 8, line 7, by inserting after the word
1 47 "unused" the following: "and eligible for refund".
1 48 #7. Page 11, line 9, by striking the word "is" and
1 49 inserting the following: "shall be refunded as
1 50 provided in section 404A.4, subsection 3."
2 1 #8. Page 11, by striking lines 10 and 11.
2 2 #9. Page 11, by striking lines 19 through 23.
2 3 #10. Page 12, line 21 by striking the figure "9"
2 4 and inserting the following: "8A".
2 5 #11. Page 16, line 4, by striking the figure
2 6 "422.11D" and inserting the following: "422.11E".
2 7 #12. Page 17, by striking lines 9 through 15 and

2 8 inserting the following: "tax liability shall be
2 9 refunded as provided in section 404A.4, subsection 3."

2 10 #13. Page 17, by inserting after line 17 the
2 11 following:

2 12 "Sec. 100. Section [427.1](#), Code Supplement 1999, is
2 13 amended by adding the following new subsection:

2 14 NEW SUBSECTION. 31. BARN PRESERVATION. The
2 15 increase in assessed value added to a farm structure
2 16 constructed prior to 1937 as a result of improvements
2 17 made to the farm structure for purposes of preserving
2 18 the integrity of the internal and external features of
2 19 the structure as a barn is exempt from taxation. To
2 20 be eligible for the exemption, the structure must have
2 21 been first placed in service as a barn prior to 1937.
2 22 The exemption shall apply to the assessment year
2 23 beginning after the completion of the improvements to
2 24 preserve the structure as a barn.

2 25 For purposes of this subsection, "barn" means an
2 26 agricultural structure, in whatever shape or design,
2 27 which was originally used for the storage of farm
2 28 products or feed or for the housing of farm animals,
2 29 poultry, or farm equipment.

2 30 Application for this exemption shall be filed with
2 31 the assessing authority not later than February 1 of
2 32 the first year for which the exemption is requested,
2 33 on forms provided by the department of revenue and
2 34 finance. The application shall describe and locate
2 35 the specific structure for which the added value is
2 36 requested to be exempt.

2 37 Once the exemption is granted, the exemption shall
2 38 continue to be granted for subsequent assessment years
2 39 without further filing of applications as long as the
2 40 structure continues to be used as a barn. The
2 41 taxpayer shall notify the assessing authority when the
2 42 structure ceases to be used as a barn.

2 43 Sec. _____. Section 25B.7 does not apply to the
2 44 exemption granted pursuant to section 100 of this
2 45 Act."

2 46 #14. Title page, line 9, by inserting after the
2 47 word "purposes" the following: "and a property tax
2 48 exemption for increasing the value of certain barns as
2 49 a result of the rehabilitation of the barns,".

2 50 #15. By renumbering as necessary.

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3 4 COMMITTEE ON [WAYS AND MEANS](#)

3 5 JOANN JOHNSON, CHAIRPERSON

3 6 [HF 2560.7](#)12 78

3 7 mg/cls