

House File 2274

H-8016

1 Amend House File 2274 as follows:

2 1. By striking everything after the enacting  
3 clause and inserting:

4 <Section 1. Section 427A.1, subsection 1, paragraph  
5 h, Code 2011, is amended to read as follows:

6 h. Property assessed by the department of revenue  
7 pursuant to sections 428.24 to 428.29, or chapters ~~433,~~  
8 ~~434, 437, 437A, and 438.~~

9 Sec. 2. Section 433.4, Code 2011, is amended to  
10 read as follows:

11 **433.4 Assessment.**

12 1. The director of revenue shall on or before  
13 October 31 each year, proceed to find the actual value  
14 of the property of these companies in this state used  
15 by the companies in the transaction of telegraph and  
16 telephone business, taking into consideration the  
17 information obtained from the statements required, and  
18 any further information the director can obtain, using  
19 the same as a means for determining the actual cash  
20 value of the property of these companies within this  
21 state. ~~The director shall also take into consideration~~  
22 ~~the valuation of all property of these companies,~~  
23 ~~including franchises and the use of the property in~~  
24 ~~connection with lines outside the state, and making~~  
25 ~~these deductions as may be necessary on account of~~  
26 ~~extra value of property outside the state as compared~~  
27 ~~with the value of property in the state, in order that~~  
28 ~~the actual cash value of the property of the company~~  
29 ~~within this state may be ascertained. The assessment~~  
30 ~~shall include all property of every kind and character~~  
31 ~~whatsoever, real, personal, or mixed, used by the~~  
32 ~~companies in the transaction of telegraph and telephone~~  
33 ~~business; and the~~ The property so included in the  
34 assessment shall not be taxed in any other manner than  
35 as provided in this chapter.

36 2. a. Except as provided in paragraph "c", for  
37 assessment years beginning on or after January 1,  
38 2013, a company's property, excluding the property  
39 identified in paragraph "b" as exempt from taxation,  
40 shall be subject to assessment and taxation under this  
41 chapter by the director of revenue in the same manner  
42 as property assessed and taxed as commercial property  
43 under chapters 427, 427A, 427B, 428, and 441.

44 b. All of the following is exempt from taxation and  
45 shall not be assessed for taxation under this chapter:

46 (1) Central office equipment.

47 (2) Transmission equipment.

48 (3) Qualified telephone company property. However,  
49 qualified telephone company property shall be valued  
50 and included in the company's assessment for the

1 assessment years, and to the extent specified, in  
2 paragraph "c".

3 c. For assessment years beginning on or after  
4 January 1, 2013, but before January 1, 2020, the  
5 director of revenue shall include as part of the actual  
6 value determined under paragraph "a" for the applicable  
7 assessment year, the following:

8 (1) For the assessment year beginning January  
9 1, 2013, an amount equal to the actual value of the  
10 company's qualified telephone company property that  
11 exceeds five million dollars.

12 (2) For the assessment year beginning January  
13 1, 2014, an amount equal to the actual value of the  
14 company's qualified telephone company property that  
15 exceeds twenty-five million dollars.

16 (3) For the assessment year beginning January  
17 1, 2015, an amount equal to the actual value of the  
18 company's qualified telephone company property that  
19 exceeds fifty million dollars.

20 (4) For the assessment year beginning January  
21 1, 2016, an amount equal to the actual value of the  
22 company's qualified telephone company property that  
23 exceeds seventy-five million dollars.

24 (5) For the assessment year beginning January  
25 1, 2017, an amount equal to the actual value of the  
26 company's qualified telephone company property that  
27 exceeds one hundred million dollars.

28 (6) For the assessment year beginning January  
29 1, 2018, an amount equal to the actual value of the  
30 company's qualified telephone company property that  
31 exceeds one hundred twenty-five million dollars.

32 (7) For the assessment year beginning January  
33 1, 2019, an amount equal to the actual value of the  
34 company's qualified telephone company property that  
35 exceeds one hundred fifty million dollars.

36 Sec. 3. Section 433.12, Code 2011, is amended by  
37 adding the following new subsections:

38 NEW SUBSECTION. 1A. As used in this chapter,  
39 "central office equipment" means equipment owned or  
40 leased by a company and used in initiating, amplifying,  
41 switching, or monitoring telecommunications services,  
42 including such ancillary equipment necessary for the  
43 support, regulation, control, repair, or testing of  
44 such equipment.

45 NEW SUBSECTION. 3. As used in this chapter,  
46 "qualified telephone company property" means telephone  
47 wire, telephone cable, fiber optic cable, conduit  
48 systems, poles, or other equipment owned or leased by  
49 a company and used by the company to transmit sound or  
50 data.

1       NEW SUBSECTION. 4. As used in this chapter,  
2       "*transmission equipment*" means equipment owned or  
3       leased by a company and used in the process of sending  
4       information from one location to another location,  
5       including such ancillary equipment necessary for the  
6       support, regulation, control, repair, or testing of  
7       such equipment.  
8       Sec. 4. Section 476.1D, subsection 10, Code  
9       Supplement 2011, is amended by striking the subsection.  
10      Sec. 5. EFFECTIVE DATE.  
11      1. Except as provided in subsection 2, this Act  
12      takes effect July 1, 2012.  
13      2. The section of this Act amending section 476.1D  
14      takes effect July 1, 2019.  
15      Sec. 6. APPLICABILITY.  
16      1. Except as provided in subsection 2, this Act  
17      applies to assessment years beginning on or after  
18      January 1, 2013.  
19      2. The section of this Act amending section 476.1D  
20      applies to assessment years beginning on or after  
21      January 1, 2020.>  
22      2. Title page, by striking lines 1 through 11 and  
23      inserting <An Act relating to assessment and taxation  
24      of telecommunications company property and including  
25      effective date and applicability provisions.>  
26      3. By renumbering as necessary.

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THOMAS of Clayton