

House File 478

H-1132

1 Amend House File 478 as follows:

2 1. Page 1, after line 32 by inserting:

3 <Sec. \_\_\_\_\_. Section 441.19, subsection 1, paragraph  
4 a, Code 2017, is amended to read as follows:

5 a. Supplemental and optional to the procedure for  
6 the assessment of property by the assessor as provided  
7 in [this chapter](#), the assessor may require from all  
8 persons required to list their property for taxation as  
9 provided by [sections 428.1](#) and [428.2](#), a supplemental  
10 return to be prescribed by the director of revenue upon  
11 which the person shall list the person's property.  
12 The supplemental return shall be in substantially the  
13 same form as now prescribed by law for the assessment  
14 rolls used in the listing of property by the assessors.  
15 However, for assessment years beginning on or after  
16 January 1, 2018, and unless otherwise required for  
17 property valued by the department of revenue pursuant  
18 to chapters 428, 433, 437, and 438, a supplemental  
19 return shall not request, and a person shall not be  
20 otherwise required to provide to the assessor for  
21 property assessment purposes, sales or receipts data,  
22 expense data, balance sheets, bank account information,  
23 or other data related to the financial condition of a  
24 business operating in whole or in part on the property  
25 if the property is both classified as commercial or  
26 industrial property and owned and used by the owner of  
27 the business. Every person required to list property  
28 for taxation shall make a complete listing of the  
29 property upon supplemental forms and return the listing  
30 to the assessor as promptly as possible. The return  
31 shall be verified over the signature of the person  
32 making the return and [section 441.25](#) applies to any  
33 person making such a return. The assessor shall  
34 make supplemental return forms available as soon as  
35 practicable after the first day of January of each

1 year. The assessor shall make supplemental return  
2 forms available to the taxpayer by mail, or at a  
3 designated place within the taxing district.

4 Sec. \_\_\_\_\_. Section 441.21, subsection 2, Code 2017,  
5 is amended to read as follows:

6 2. In the event market value of the property  
7 being assessed cannot be readily established in the  
8 foregoing manner, then the assessor may determine  
9 the value of the property using the other uniform and  
10 recognized appraisal methods including its productive  
11 and earning capacity, if any, industrial conditions,  
12 its cost, physical and functional depreciation and  
13 obsolescence and replacement cost, and all other  
14 factors which would assist in determining the fair  
15 and reasonable market value of the property but the  
16 actual value shall not be determined by use of only  
17 one such factor. The following shall not be taken  
18 into consideration: Special value or use value of  
19 the property to its present owner, and the goodwill  
20 or value of a business which uses the property as  
21 distinguished from the value of the property as  
22 property. In addition, for assessment years beginning  
23 on or after January 1, 2018, and unless otherwise  
24 required for property valued by the department of  
25 revenue pursuant to chapters 428, 433, 437, and 438,  
26 the assessor shall not take into consideration and  
27 shall not request from any person sales or receipts  
28 data, expense data, balance sheets, bank account  
29 information, or other data related to the financial  
30 condition of a business operating in whole or in part  
31 on the property if the property is both classified as  
32 commercial or industrial property and owned and used  
33 by the owner of the business. However, in assessing  
34 property that is rented or leased to low-income  
35 individuals and families as authorized by section 42

1 of the Internal Revenue Code, as amended, and which  
2 section limits the amount that the individual or family  
3 pays for the rental or lease of units in the property,  
4 the assessor shall, unless the owner elects to withdraw  
5 the property from the assessment procedures for section  
6 42 property, use the productive and earning capacity  
7 from the actual rents received as a method of appraisal  
8 and shall take into account the extent to which that  
9 use and limitation reduces the market value of the  
10 property. The assessor shall not consider any tax  
11 credit equity or other subsidized financing as income  
12 provided to the property in determining the assessed  
13 value. The property owner shall notify the assessor  
14 when property is withdrawn from section 42 eligibility  
15 under the Internal Revenue Code or if the owner elects  
16 to withdraw the property from the assessment procedures  
17 for section 42 property under [this subsection](#). The  
18 property shall not be subject to section 42 assessment  
19 procedures for the assessment year for which section  
20 42 eligibility is withdrawn or an election is made.  
21 This notification must be provided to the assessor  
22 no later than March 1 of the assessment year or the  
23 owner will be subject to a penalty of five hundred  
24 dollars for that assessment year. The penalty shall  
25 be collected at the same time and in the same manner  
26 as regular property taxes. An election to withdraw  
27 from the assessment procedures for section 42 property  
28 is irrevocable. Property that is withdrawn from  
29 the assessment procedures for section 42 property  
30 shall be classified and assessed as multiresidential  
31 property unless the property otherwise fails to meet  
32 the requirements of [section 441.21, subsection 13](#).  
33 Upon adoption of uniform rules by the department of  
34 revenue or succeeding authority covering assessments  
35 and valuations of such properties, the valuation on

1 such properties shall be determined in accordance with  
2 such rules and in accordance with forms and guidelines  
3 contained in the real property appraisal manual  
4 prepared by the department as updated from time to time  
5 for assessment purposes to assure uniformity, but such  
6 rules, forms, and guidelines shall not be inconsistent  
7 with or change the foregoing means of determining the  
8 actual, market, taxable and assessed values.>

9 2. Title page, line 1, after <to> by inserting  
10 <property tax assessments by modifying requirements  
11 for the determination of value, modifying provisions  
12 related to>

13 3. By renumbering as necessary.

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BALTIMORE of Boone