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**HF 2475** – EITC Rate Increase & Property Tax Changes (LSB 6140HV)  
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Fiscal Note Version – New

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**Description**

**House File 2475** modifies Iowa's property valuation system for property tax purposes, creates a new business property tax credit, limits city and county property tax revenue growth, and increases the Earned Income Tax Credit from 7.0% to 10.0%. Many of the changes are phased in over a five-year period, beginning in the assessment year 2013 (FY 2015).

Significant provisions of **HF 2475** include:

1. Increases the Earned Income Tax Credit from the current level of 7.0% of the federal credit to 10.0% of the federal credit.
2. Creates a codified rollback (the percentage of a property's actual value that is subject to property tax) for commercial, industrial, and railroad property. The Bill requires the percentage to be reduced by two percentage points each year until it reaches 90.0% by the fifth year. The percentage remains at 90.0% for subsequent years.
3. Creates a business property tax credit similar to the Homestead credit for residential property. The property tax credit will pay a portion of the tax on a specified maximum amount of a property's taxed value. The portion of the tax covered by the credit is equal to the difference between the residential and commercial (or industrial) rollback for that year, and the maximum property value the credit applies to is determined each year by the amount of money available in that year for credit payments. The maximum value will be calculated each year by the Department of Revenue (DR). The Bill appropriates \$24.0 million in FY 2015 and that appropriation grows to \$120.0 million for FY 2019 and beyond.
4. Alters the taxation of property taxed under Iowa Code chapter **433** (telephone companies). Over five years, the Bill phases the taxation system for telephone companies into a system similar to commercial property.
5. Reduces the maximum annual increase in statewide taxable value of agricultural property, due to revaluation of existing property, from the current 4.0% to 3.0% per year.
6. Reduces the maximum annual increase in statewide taxable value of residential property, due to revaluation of existing property, from the current 4.0% to 3.0% per year.
7. Creates a Property Tax Replacement Fund under the control of the DR. The purpose of the Fund is to reimburse local governments for all or a portion of the revenue reduction experienced due to the commercial, industrial, and railroad rollbacks created in this Bill. The Bill appropriates up to \$28.0 million from the General Fund for FY 2015 and that amount grows to \$140.0 million in FY 2019 and beyond. If the amount appropriated in any fiscal year is insufficient to cover all proper claims, the claims are to be prorated. If total claims are less than the amount appropriated, the unused money reverts to the General Fund. Claims are calculated by comparing the taxable value in a taxing district to the taxable value in the base year (FY 2014). The basis for the claim is the amount that commercial, industrial, and railroad taxable value for the current year is below the amount of commercial, industrial, and railroad taxable value for that taxing district in the base year. If the property value exceeds the base year, no claim is allowed. Property that transfers to the new multi-residential classification is not included in the base year calculation.

8. Creates a new property classification called multi-residential. This classification includes properties such as apartments, assisted living facilities, and nursing homes that are used for human habitation and currently classified commercial. Hotels and motels are not included in the new classification. The rollback for this new classification is established at 90.0% for FY 2015 and is reduced in 10 percentage-point increments until it reaches 60.0% in FY 2018. For FY 2019 and beyond, the multi-residential rollback is equal to the rollback for the residential property class.
9. Removes existing city and county tax rate limitations and establishes a property tax revenue limitation system for city and county government. The revenue limitation allows for property tax financed budget growth equal to a combination of growth due to new construction and an inflation adjustment. The new system will begin in FY 2015. A city or county may exceed the revenue limits through a special election process.

### **Assumptions**

The fiscal impact of the Earned Income Tax Credit percent increase was completed by the DR using a tax impact simulation model.

The fiscal impact estimate for the property tax provision of [HF 2475](#) is established by first producing a property tax estimate, by property class and by taxing authority category, through FY 2022 (baseline estimate). A property tax and State General Fund estimate is then established based on the tax system changes directed in the Bill. The fiscal estimate for the property tax system and the State General Fund represents the fiscal differences between the baseline estimate and the provisions of the Bill.

**Attachment A** provides background fiscal information, including taxable value, property tax rate, and property tax revenue history, as well as baseline and [HF 2475](#) projections. The information is statewide and is provided by property class and by taxing authority category. Tax Increment Financing (TIF) revenue is included with the taxing authority tax rate that generates the TIF revenue, not with the taxing authority that actually receives the revenue. **Attachment A** also provides the rollback projections, by class for assessment years 2012 through 2020, for the baseline and [HF 2475](#) projections.

1. Baseline projection assumptions:
  - a. School allowable growth, as directed by future legislation, will equal 2.0% each year. Static enrollments and weightings are assumed.
  - b. Going forward, local government property tax revenue will increase at the same average annual rate of increase experienced from FY 2001 through FY 2012. If taxable value growth is not sufficient to achieve the increase, rates will be increased to make up the difference. By major category of taxation, those rates over the 11 years include:
    - Revenue from city tax rates = +4.9% per year
    - Revenue from county tax rates in urban areas = +5.6% per year
    - Revenue from county tax rates in rural areas = +4.1% per year
    - Revenue from all other taxing authorities (not school, city, or county) = +5.5%
    - Property tax revenue from all tax rates, including schools = +4.8% per year
2. [HF 2475](#) projection assumptions:
  - a. School allowable growth, as directed by future legislation, will equal 2.0% each year. Static enrollments and weightings are assumed.

- b. Going forward, local governments will not be able to increase property tax revenue at the same average annual rate experienced from FY 2001 through FY 2012. This will occur because of one or several of the following issues:
  - Some categories of local governments will have existing levy limits that are difficult or impossible to exceed.
  - The level of tax rate increase necessary will prove too difficult for some cities and counties.
  - The revenue limitation for cities and counties (new construction plus annual inflation adjustment) will not allow rates to be raised sufficiently.
- c. Based on item 2b above, the average annual rate of revenue increase will be below baseline projections. By major category of tax authority, the projected property tax revenue increase from FY 2012 through FY 2022 is projected to be:
  - Revenue from city tax rates = +4.1% per year
  - Revenue from county tax rates in urban areas = +4.3% per year
  - Revenue from county tax rates in rural areas = +3.5% per year
  - Revenue from all other taxing authorities (not school, city, or county) = +2.9%
  - Property tax revenue from all tax rates, including schools = +3.5% per year
- d. Telecommunications property that is subject to the phase out provisions of the Bill totals \$1.442 billion in taxable value.
- e. Apartment, assisted living, nursing home, etc., property that will be converted to the new multi-residential classification totals \$4.5 billion in taxable value.

## **Fiscal Impact**

### **Earned Income Tax Credit**

The Earned Income Tax Credit provision of the Bill will reduce net General Fund revenue by approximately \$11.6 million per tax year, beginning tax year 2012. By fiscal year, the General Fund reduction is estimated at:

- FY 2013 = \$13.1 million
- FY 2014 = \$11.6 million
- FY 2015 = \$11.6 million
- FY 2016 = \$11.5 million

The General Fund impact is projected to be similar in future fiscal years. Since the tax credit is refundable, there is no impact on the local option income tax surcharge for schools.

### **Property Tax Provisions**

[House File 2475](#) will decrease property taxes paid by all classes of property and will reduce property tax revenue across all taxing authority categories. The Bill will require increased General Fund appropriations for school finance and to reimburse local governments for a portion of the property tax revenue reduction dictated by the provisions of the Bill.

The Bill impacts General Fund appropriations for school finance by reducing the amount of commercial, industrial, railroad, telecommunications, residential, and agricultural property subject to property taxation. Through action of the school aid formula, those provisions will require increased General Fund appropriations to fully fund schools.

The Bill also provides an annual General Fund appropriation to replace (backfill) property tax decreases that result from taxable value reductions associated with the commercial, industrial, and railroad rollback. **Table 1** below provides estimates of the new or increased General Fund

appropriations through FY 2022. Please note that the backfill maximum appropriations provided in the Bill exceed the projected estimated backfill demands, based on the method specified in the Bill for calculating backfill requirements. The amounts listed on the backfill line represent the projected backfill necessary, not the actual appropriations provided in the Bill. By FY 2022, the projected additional General Fund appropriations required for school aid, the new business property tax credit, and for backfill total \$249.0 million.

Many of the Bill's provisions impact the taxable value of property subject to the property tax in Iowa. Those provisions will reduce property taxes owed by property owners and property tax revenue received by local governments. To the extent that local governments cannot or will not raise tax rates to maintain property tax revenue streams, the taxable value reductions will result in reduced taxes owed by property owners and reduced property tax revenue for local governments. Some, but not all, of the local government revenue reduction will be replaced by the new or increased General Fund appropriations. **Table 2** provides the projected property tax reduction, in millions of dollars, by class of property. **Table 3** provides the property tax revenue reduction projected for each major category of taxing authority. **Table 4** provides the local government revenue reduction, after factoring in the new and increased General Fund appropriations that replace some of the reduced property tax revenue.

The local government revenue reductions may result in action by taxing authorities to replace the revenue reductions projected in **Table 4** by increasing existing alternative fees and taxes, or by instituting new fees and taxes. Projecting the extent of this alternative revenue response is beyond the scope of this fiscal note.

**HF 2475 - Dollars in Millions - Columns may not add due to rounding**

**Does not include impact of the EITC Increase**

**Table 1 - General Fund Appropriation Increase**

House Proposal	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
School Aid \$5.40	\$ 7.0	\$ 14.7	\$ 23.2	\$ 31.9	\$ 45.0	\$ 60.6	\$ 79.2	\$ 96.4
Business Prop Tax Credit	24.0	48.0	72.0	96.0	120.0	120.0	120.0	120.0
Backfill	16.0	32.2	48.5	65.0	81.7	65.4	49.1	32.6
Total State Support	\$ 47.0	\$ 94.9	\$ 143.7	\$ 192.9	\$ 246.7	\$ 246.0	\$ 248.3	\$ 249.0

**Table 2 - Property Tax Dollars by Property Class**

**Difference, HF 2475 Minus Baseline Projection**

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Residential	\$ -5.5	\$ -12.0	\$ -19.4	\$ -30.5	\$ -36.1	\$ -60.3	\$ -81.4	\$ -111.3
Agriculture	-1.6	-3.7	-6.5	-10.0	-10.6	-15.8	-20.8	-26.9
Com/Ind/Rail/Multi-Res	-58.8	-120.3	-187.9	-253.6	-316.4	-311.2	-316.2	-311.7
Utility/Other	-7.3	-13.6	-15.2	-17.1	-37.7	-37.1	-36.2	-35.7
Total	\$ -73.2	\$ -149.6	\$ -229.0	\$ -311.2	\$ -400.8	\$ -424.4	\$ -454.6	\$ -485.6

**Table 3 - Property Tax Dollars by Authority**

**Difference, HF 2475 Minus Baseline Projection**

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
City	\$ -10.6	\$ -21.8	\$ -33.8	\$ -46.3	\$ -59.7	\$ -62.3	\$ -65.7	\$ -69.6
County-Urban	-8.9	-18.5	-28.9	-40.1	-52.2	-59.8	-68.2	-77.6
County- Rural	-1.6	-3.3	-5.1	-6.9	-8.9	-10.0	-11.2	-12.6
School	-19.4	-39.7	-60.9	-82.4	-108.7	-110.6	-116.2	-120.2
Other Local Gov.	-8.8	-18.2	-28.4	-39.4	-51.2	-61.7	-73.2	-85.7
Total	\$ -49.3	\$ -101.5	\$ -157.1	\$ -215.1	\$ -280.7	\$ -304.4	\$ -334.5	\$ -365.7

**Table 4 - Property Tax Dollars by Authority**

**Difference Adjusted For State Appropriations (Backfill & School Aid)**

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
City	\$ -5.3	\$ -11.1	\$ -17.4	\$ -24.3	\$ -31.8	\$ -39.9	\$ -48.8	\$ -58.4
County-Urban	-6.4	-13.4	-21.1	-29.5	-38.8	-49.0	-60.1	-72.2
County- Rural	-1.1	-2.3	-3.6	-4.9	-6.4	-8.0	-9.7	-11.6
School	-5.8	-11.7	-17.9	-24.2	-31.1	-24.0	-17.6	-11.0
Other Local Gov.	-7.7	-16.0	-25.1	-35.0	-45.7	-57.3	-69.9	-83.5
Total	\$ -26.3	\$ -54.5	\$ -85.1	\$ -117.9	\$ -153.8	\$ -178.2	\$ -206.1	\$ -236.7

**Sources**

Department of Management property valuation and rate history files  
 Department of Revenue property valuation reports  
 Legislative Services Agency analysis

/s/ Holly M. Lyons

May 7, 2012

The fiscal note for this bill was prepared pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

Table **HF 2475 - Property Tax Includes TIF Dollars**

1A General Fund Appropriation Increase - In Millions of Dollars											
House Proposal	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
School Aid \$5.40	\$ 0.0	\$ 0.0	\$ 0.0	\$ 7.0	\$ 14.7	\$ 23.2	\$ 31.9	\$ 45.0	\$ 60.6	\$ 79.2	\$ 96.4
Business Prop Tax Credit	0.0	0.0	0.0	24.0	48.0	72.0	96.0	120.0	120.0	120.0	120.0
Backfill	0.0	0.0	0.0	16.0	32.2	48.5	65.0	81.7	65.4	49.1	32.6
Total State Support	\$ 0.0	\$ 0.0	\$ 0.0	\$ 47.0	\$ 94.9	\$ 143.7	\$ 192.9	\$ 246.7	\$ 246.0	\$ 248.3	\$ 249.0

  

2A Property Tax Dollars in Millions by Class - Baseline											
Baseline	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Residential	\$ 2,300.3	\$ 2,454.7	\$ 2,594.7	\$ 2,735.2	\$ 2,891.9	\$ 3,049.8	\$ 3,228.2	\$ 3,392.4	\$ 3,589.7	\$ 3,773.3	\$ 3,990.3
Agriculture	720.1	756.0	787.6	818.7	850.3	881.3	914.9	947.0	983.1	1,017.9	1,056.7
Com/Ind/Rail/Multi-Res	1,524.0	1,567.1	1,595.3	1,640.0	1,680.3	1,738.4	1,779.7	1,862.6	1,910.0	1,999.7	2,055.8
Utility/Other	254.4	256.4	257.8	258.3	258.5	257.9	258.0	256.7	256.8	255.6	255.6
Total	\$ 4,798.8	\$ 5,034.3	\$ 5,235.3	\$ 5,452.2	\$ 5,680.9	\$ 5,927.4	\$ 6,180.9	\$ 6,458.7	\$ 6,739.6	\$ 7,046.4	\$ 7,358.4

  

2B Property Tax Dollars in Millions by Class - HF 2475											
House Proposal	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Residential	\$ 2,300.3	\$ 2,454.7	\$ 2,594.7	\$ 2,729.8	\$ 2,879.8	\$ 3,030.4	\$ 3,197.7	\$ 3,356.3	\$ 3,529.5	\$ 3,691.9	\$ 3,879.0
Agriculture	720.1	756.0	787.6	817.1	846.6	874.8	904.9	936.4	967.3	997.1	1,029.8
Com/Ind/Rail/Multi-Res	1,524.0	1,567.1	1,595.3	1,581.2	1,560.0	1,550.4	1,526.1	1,546.2	1,598.8	1,683.5	1,744.1
Utility/Other	254.4	256.4	257.8	251.0	244.9	242.7	241.0	219.0	219.7	219.4	219.9
Total	\$ 4,798.8	\$ 5,034.3	\$ 5,235.3	\$ 5,379.0	\$ 5,531.4	\$ 5,698.3	\$ 5,869.8	\$ 6,058.0	\$ 6,315.2	\$ 6,591.9	\$ 6,872.8

  

2C Property Tax Dollars in Millions by Class - Difference, HF 2475 minus Baseline											
House Proposal	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Residential	\$ 0.0	\$ 0.0	\$ 0.0	\$ -5.5	\$ -12.0	\$ -19.4	\$ -30.5	\$ -36.1	\$ -60.3	\$ -81.4	\$ -111.3
Agriculture	0.0	0.0	0.0	-1.6	-3.7	-6.5	-10.0	-10.6	-15.8	-20.8	-26.9
Com/Ind/Rail/Multi-Res	0.0	0.0	0.0	-58.8	-120.3	-187.9	-253.6	-316.4	-311.2	-316.2	-311.7
Utility/Other	0.0	0.0	0.0	-7.3	-13.6	-15.2	-17.1	-37.7	-37.1	-36.2	-35.7
Total	\$ 0.0	\$ 0.0	\$ 0.0	\$ -73.2	\$ -149.6	\$ -229.1	\$ -311.1	\$ -400.7	\$ -424.5	\$ -454.5	\$ -485.6

  

3A Property Tax Dollars in Millions by Authority - Baseline											
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
City	\$ 1,204.7	\$ 1,263.3	\$ 1,324.7	\$ 1,389.2	\$ 1,456.7	\$ 1,527.6	\$ 1,601.9	\$ 1,679.8	\$ 1,761.5	\$ 1,847.2	\$ 1,937.0
County-Urban	570.2	602.2	636.0	671.8	709.5	749.4	791.5	836.0	883.0	932.6	985.0
County- Rural	505.7	526.4	547.9	570.3	593.6	617.9	643.2	669.5	696.9	725.4	755.0
School	2,171.8	2,277.1	2,341.4	2,414.6	2,492.5	2,580.5	2,667.7	2,770.8	2,868.1	2,982.2	3,091.7
Other Local Gov.	346.4	365.3	385.2	406.3	428.5	451.9	476.6	502.7	530.1	559.1	589.7
Total	\$ 4,798.8	\$ 5,034.3	\$ 5,235.3	\$ 5,452.2	\$ 5,680.9	\$ 5,927.4	\$ 6,180.9	\$ 6,458.7	\$ 6,739.6	\$ 7,046.4	\$ 7,358.4

  

3B Property Tax Dollars in Millions by Authority - HF 2475											
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
City	\$ 1,204.7	\$ 1,263.3	\$ 1,324.7	\$ 1,378.6	\$ 1,434.9	\$ 1,493.8	\$ 1,555.6	\$ 1,620.1	\$ 1,699.2	\$ 1,781.5	\$ 1,867.4
County-Urban	570.2	602.2	636.0	662.9	691.0	720.5	751.4	783.8	823.2	864.4	907.4
County- Rural	505.7	526.4	547.9	568.7	590.4	612.9	636.2	660.6	686.8	714.1	742.5
School	2,171.8	2,277.1	2,341.4	2,395.2	2,452.8	2,519.6	2,585.3	2,662.1	2,757.5	2,866.0	2,971.5
Other Local Gov.	346.4	365.3	385.2	397.5	410.3	423.5	437.2	451.4	468.4	485.9	504.0
Total	\$ 4,798.8	\$ 5,034.3	\$ 5,235.3	\$ 5,403.0	\$ 5,579.4	\$ 5,770.3	\$ 5,965.8	\$ 6,178.0	\$ 6,435.2	\$ 6,711.9	\$ 6,992.8

  

3C Property Tax Dollars in Millions by Authority - Difference, HF 2475 minus Baseline											
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
City	\$ 0.0	\$ 0.0	\$ 0.0	\$ -10.6	\$ -21.8	\$ -33.8	\$ -46.3	\$ -59.7	\$ -62.3	\$ -65.7	\$ -69.6
County-Urban	0.0	0.0	0.0	-8.9	-18.5	-28.9	-40.1	-52.2	-59.8	-68.2	-77.6
County- Rural	0.0	0.0	0.0	-1.6	-3.3	-5.1	-6.9	-8.9	-10.0	-11.2	-12.6
School	0.0	0.0	0.0	-19.4	-39.7	-60.9	-82.4	-108.7	-110.6	-116.2	-120.2
Other Local Gov.	0.0	0.0	0.0	-8.8	-18.2	-28.4	-39.4	-51.2	-61.7	-73.2	-85.7
Total	\$ 0.0	\$ 0.0	\$ 0.0	\$ -49.2	\$ -101.6	\$ -157.1	\$ -215.1	\$ -280.7	\$ -304.5	\$ -334.5	\$ -365.6

  

3D Property Dollars Tax in Millions by Authority - Difference Adjusted For State Appropriations (Backfill & School Aid)											
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
City	\$ 0.0	\$ 0.0	\$ 0.0	\$ -5.3	\$ -11.1	\$ -17.4	\$ -24.3	\$ -31.8	\$ -39.9	\$ -48.8	\$ -58.4
County-Urban	0.0	0.0	0.0	-6.4	-13.4	-21.1	-29.5	-38.8	-49.0	-60.1	-72.2
County- Rural	0.0	0.0	0.0	-1.1	-2.3	-3.6	-4.9	-6.4	-8.0	-9.7	-11.6
School	0.0	0.0	0.0	-5.8	-11.7	-17.9	-24.2	-31.1	-24.0	-17.6	-11.0
Other Local Gov.	0.0	0.0	0.0	-7.7	-16.0	-25.1	-35.0	-45.7	-57.3	-69.9	-83.5
Total	\$ 0.0	\$ 0.0	\$ 0.0	\$ -26.2	\$ -54.6	\$ -85.1	\$ -117.9	\$ -153.8	\$ -178.3	\$ -206.1	\$ -236.6

### Rollback Projections

	Assessment Year	Fiscal Year	Residential		Ag Land & Buildings		Multi-Residential		Com/Ind/Rail	
			Baseline	Proposed	Baseline	Proposed	Baseline	Proposed	Baseline	Proposed
Actual	AY 2010	FY 2012	48.53%	48.53%	69.02%	69.02%			100.00%	100.00%
Actual	AY 2011	FY 2013	50.75%	50.75%	57.54%	57.54%			100.00%	100.00%
Projected	AY 2012	FY 2014	52.81%	52.81%	59.89%	59.89%			100.00%	100.00%
Projected	AY 2013	FY 2015	53.83%	53.32%	48.00%	47.54%	100.00%	90.00%	100.00%	98.00%
Projected	AY 2014	FY 2016	55.95%	54.89%	49.96%	49.00%	100.00%	80.00%	100.00%	96.00%
Projected	AY 2015	FY 2017	56.48%	54.89%	52.73%	51.23%	100.00%	70.00%	100.00%	94.00%
Projected	AY 2016	FY 2018	58.69%	56.51%	54.88%	52.81%	100.00%	60.00%	100.00%	92.00%
Projected	AY 2017	FY 2019	58.75%	56.03%	57.77%	55.06%	100.00%	56.03%	100.00%	90.00%
Projected	AY 2018	FY 2020	60.72%	57.36%	60.13%	56.76%	100.00%	57.36%	100.00%	90.00%
Projected	AY 2019	FY 2021	60.66%	56.76%	69.08%	64.59%	100.00%	56.76%	100.00%	90.00%
Projected	AY 2020	FY 2022	62.67%	58.09%	71.90%	66.58%	100.00%	58.09%	100.00%	90.00%

	Average Annual % Change in Taxable Value, Tax Rate, and Tax Revenue			Taxable Value & Tax Dollars in Millions, Rates in \$/\$1,000			
	Actual FY	Baseline FY	HF 2475	Actual FY	Actual FY	FY 2022	FY 2022
	2001 to FY	2012 to FY	FY 2012 to				
	2012	2022	FY 2022	2001	2012	Baseline	Proposal
<b>By Property Class</b>							
<b>Residential</b>							
Taxable Value	4.7%	5.8%	4.5%	\$ 38,780	\$ 64,536	\$ 113,280	\$ 105,000
Statewide Average Tax Rate	1.1%	-0.1%	0.3%	\$ 31.48	\$ 35.68	\$ 35.22	\$ 36.94
Property Tax Revenue	5.9%	5.6%	4.9%	\$ 1,221	\$ 2,303	\$ 3,990	\$ 3,879
<b>Agricultural</b>							
Taxable Value	0.7%	4.5%	3.3%	\$ 23,939	\$ 25,910	\$ 40,195	\$ 37,219
Statewide Average Tax Rate	1.6%	-0.2%	0.3%	\$ 22.64	\$ 26.86	\$ 26.30	\$ 27.67
Property Tax Revenue	2.3%	4.3%	3.6%	\$ 542	\$ 696	\$ 1,057	\$ 1,030
<b>Com/Ind/Rail/Multi-Res</b>							
Taxable Value	4.8%	3.1%	1.5%	\$ 24,543	\$ 40,968	\$ 55,583	\$ 48,123
Statewide Average Tax Rate	1.1%	-0.2%	0.3%	\$ 33.56	\$ 37.68	\$ 36.99	\$ 38.73
Property Tax Revenue	5.9%	2.9%	1.7%	\$ 824	\$ 1,544	\$ 2,056	\$ 1,864
				<i>Adjusted for new tax credit ----&gt; \$ 1,744</i>			
<b>Utility/Other</b>							
Taxable Value	-1.5%	0.4%	-1.5%	\$ 9,362	\$ 7,964	\$ 8,263	\$ 6,754
Statewide Average Tax Rate	1.0%	-0.4%	0.1%	\$ 28.79	\$ 32.14	\$ 30.98	\$ 32.57
Property Tax Revenue	-0.5%	0.0%	-1.4%	\$ 270	\$ 256	\$ 256	\$ 220
<b>Total - All Classes</b>							
Taxable Value	3.4%	4.5%	3.2%	\$ 96,624	\$ 139,379	\$ 217,321	\$ 197,096
Statewide Average Tax Rate	1.4%	-0.2%	0.3%	\$ 29.56	\$ 34.43	\$ 33.86	\$ 35.48
Property Tax Revenue	4.8%	4.4%	3.5%	\$ 2,856	\$ 4,799	\$ 7,359	\$ 6,993
				<i>Adjusted for new tax credit ----&gt; \$ 6,873</i>			

**By Taxing Authority Type**

	Average Annual % Change in Taxable Value, Tax Rate, and Tax Revenue			Taxable Value & Tax Dollars in Millions, Rates in \$/\$1,000			
	Actual FY	Baseline FY	HF 2475	Actual FY	Actual FY	FY 2022	FY 2022
	2001 to FY	2012 to FY	FY 2012 to				
	2012	2022	FY 2022	2001	2012	Baseline	Proposal
<b>City *</b>							
Taxable Value	4.1%	4.6%	3.2%	\$ 55,867	\$ 86,990	\$ 135,912	\$ 122,541
Statewide Average Tax Rate	0.7%	0.3%	0.9%	\$ 12.79	\$ 13.85	\$ 14.25	\$ 15.24
Property Tax Revenue	4.9%	4.9%	4.1%	\$ 715	\$ 1,205	\$ 1,937	\$ 1,867
<b>County-Urban</b>							
Taxable Value	4.1%	4.6%	3.2%	\$ 56,294	\$ 87,461	\$ 136,647	\$ 123,221
Statewide Average Tax Rate	1.5%	1.0%	1.1%	\$ 5.55	\$ 6.52	\$ 7.21	\$ 7.36
Property Tax Revenue	5.6%	5.6%	4.3%	\$ 312	\$ 570	\$ 985	\$ 907
<b>County-Rural</b>							
Taxable Value	2.3%	4.5%	3.3%	\$ 40,329	\$ 51,917	\$ 80,673	\$ 73,874
Statewide Average Tax Rate	1.7%	-0.4%	0.3%	\$ 8.07	\$ 9.74	\$ 9.36	\$ 10.04
Property Tax Revenue	4.1%	4.1%	3.5%	\$ 325	\$ 506	\$ 755	\$ 742
<b>School</b>							
Taxable Value	3.4%	4.5%	3.2%	\$ 96,624	\$ 139,379	\$ 217,320	\$ 197,095
Statewide Average Tax Rate	1.3%	-0.9%	-0.3%	\$ 13.56	\$ 15.58	\$ 14.23	\$ 15.07
Property Tax Revenue	4.7%	3.6%	2.9%	\$ 1,310	\$ 2,172	\$ 3,092	\$ 2,971
<b>Other Local Governments</b>							
Taxable Value	3.4%	4.5%	3.2%	\$ 96,624	\$ 139,379	\$ 217,320	\$ 197,095
Statewide Average Tax Rate	2.0%	0.9%	0.3%	\$ 2.00	\$ 2.49	\$ 2.71	\$ 2.57
Property Tax Revenue	5.5%	5.5%	3.5%	\$ 193	\$ 346	\$ 590	\$ 506
<b>Total - All Local Governments</b>							
Taxable Value	3.4%	4.5%	3.2%	\$ 96,624	\$ 139,379	\$ 217,320	\$ 197,095
Statewide Average Tax Rate	1.4%	-0.2%	0.3%	\$ 29.56	\$ 34.43	\$ 33.86	\$ 35.48
Property Tax Revenue	4.8%	4.4%	3.5%	\$ 2,856	\$ 4,799	\$ 7,359	\$ 6,993

\* City taxable value excludes property that is exempt from the city rate and also excludes agricultural property. City agland is included in "Other Local Governments."

NOTE: For the "By Taxing Authority Type" portion of the Table, Tax Increment Financing (TIF) revenue is included with the original taxing authority, not with the authority that ultimately receives the TIF revenue.