
FISCAL TOPICS

Fiscal Services Division

August 19, 2020



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Community College Property Tax Revenue

Iowa's 15 community college districts are permitted to levy taxes against the value of taxable property within the boundaries of each district. In addition to the general levy, there are currently eight special purpose levies available to the community colleges under specific circumstances. Six of the nine levies require simple board approval; the three exceptions are noted below.

Property Tax Levies

The following are the levies available to the community colleges and the rate restrictions and statutory authority for each:

- General — To fund the general operation of the community college. Limited to \$0.20250 per \$1,000 in valuation. (Iowa Code section [260C.17](#))
- Tort Liability — To fund tort-related settlements. Limited to the amount necessary. (Iowa Code section [296.7](#))
- Insurance — To fund insurance premiums for loss of property, environmental hazards, or other risks. Limited to the amount necessary. (Iowa Code section [296.7](#))
- Unemployment Compensation — To fund unemployment benefits for community college employees. Limited to the amount necessary. (Iowa Code section [96.31](#))
- Early Retirement — To fund early retirement benefits for community college employees. Limited to the amount necessary. (Iowa Code section [279.46](#))
- Equipment — To fund equipment replacement, program sharing, and the purchase of instructional equipment. Limited to \$0.03000 per \$1,000 in valuation for equipment replacement. The community college board of directors may seek voter approval for an additional \$0.06000 per \$1,000 in valuation for program sharing and instructional equipment. (Iowa Code section [260C.28](#))
- Standby — To secure the payment of certificates for the Iowa Industrial New Jobs Training Program. Limited to \$0.27000 per \$1,000 in valuation. (Iowa Code section [260E.6](#))
- Facilities — To fund the purchase of grounds, construction of buildings, payment of debts contracted for the construction of buildings, purchase of buildings and equipment for buildings, the acquisition of libraries, the costs of utilities, and the maintenance, remodeling, improvement, or expansion of the community college. Limited to \$0.20250 per \$1,000 valuation. Requires voter approval. (Iowa Code section [260C.22](#))
- Bond and Interest — To fund principal and interest on bonds. Limited to the amount necessary. Requires 60.0% voter approval. (Iowa Code section [260C.20](#))

More Information

Department of Management, Community College Resources: dom.iowa.gov/community-colleges

LSA Staff Contact: Robin Madison (515.281.5270) robin.madison@legis.iowa.gov

Current Use of Levies

For FY 2021, statewide community college revenue from property tax levies will total an estimated \$180.4 million, an increase of 6.6% compared to FY 2020. **Table 1** shows the levy rates for FY 2021 by community college.

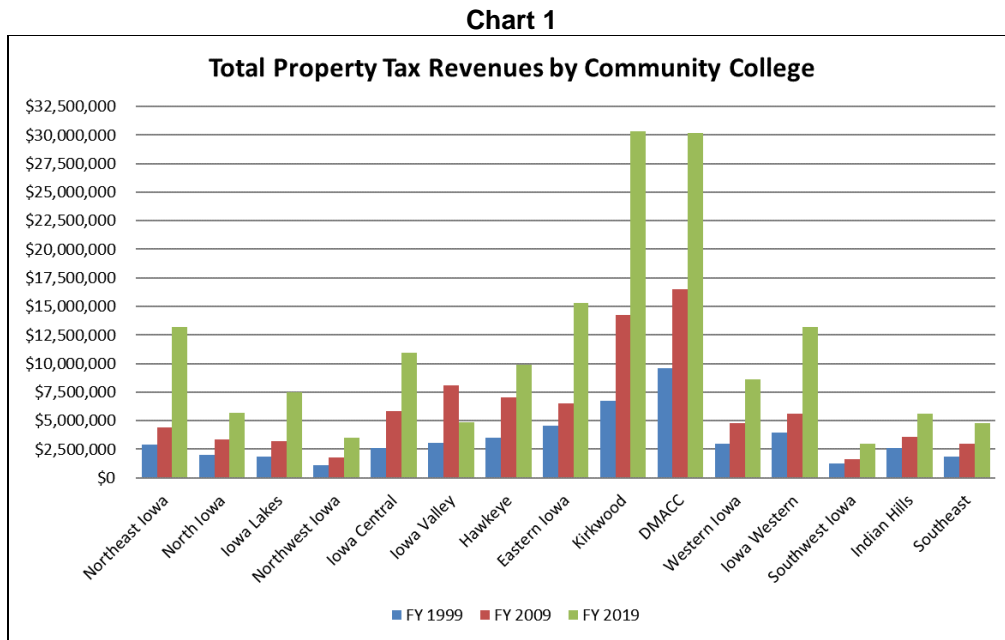
**Table 1
FY 2021 Community College Property Tax Levy Rates**

	Unrestricted	Unemployment	Tort	Insurance	Early	Equipment	Standby	Plant	Bonds	Total All
	General	Compensation	Liability		Retirement	Replacement		Funds	Interest	
Northeast Iowa	0.20250	0.00483	0.00644	0.08858	0.06442	0.09000	0.00000	0.20250	0.28807	0.94734
North Iowa Area	0.20250	0.00260	0.01752	0.19347	0.08434	0.09000	0.00000	0.20250	0.20251	0.99544
Iowa Lakes	0.20250	0.00000	0.05245	0.24378	0.08836	0.09000	0.00000	0.20250	0.21000	1.08959
Northwest Iowa	0.20250	0.00000	0.01885	0.26883	0.05357	0.09000	0.00000	0.20250	0.23914	1.07539
Iowa Central	0.20250	0.00112	0.07480	0.16746	0.04466	0.09000	0.00000	0.20250	0.32828	1.11132
Iowa Valley	0.20250	0.00093	0.05020	0.21983	0.11360	0.09000	0.00000	0.20250	0.70145	1.58101
Hawkeye	0.20250	0.00123	0.01562	0.33210	0.06407	0.09000	0.00000	0.20250	0.25000	1.15802
Eastern Iowa	0.20250	0.00000	0.04937	0.03328	0.04813	0.09000	0.00000	0.20250	0.19828	0.82406
Kirkwood	0.20250	0.00280	0.01174	0.41570	0.08202	0.09000	0.00000	0.20250	0.25004	1.25730
DMACC	0.20250	0.00020	0.00629	0.10342	0.03042	0.09000	0.00000	0.20250	0.00000	0.63533
Western Iowa Tech	0.20250	0.00000	0.03437	0.35033	0.00513	0.09000	0.00000	0.20250	0.00000	0.88483
Iowa Western	0.20250	0.00330	0.06124	0.27793	0.00000	0.09000	0.00000	0.20250	0.45963	1.29710
Southwestern	0.20250	0.00844	0.01407	0.29535	0.08444	0.09000	0.00000	0.20250	0.00000	0.89730
Indian Hills	0.20250	0.01324	0.09207	0.30818	0.09131	0.09000	0.00000	0.20250	0.00000	0.99980
Southeastern	0.20250	0.00458	0.08949	0.29107	0.11383	0.09000	0.00000	0.20250	0.19326	1.18723

The following three charts compare data from FY 1999, FY 2009, and FY 2019, the most recent year for which full-time equivalent enrollment (FTEE) is available.

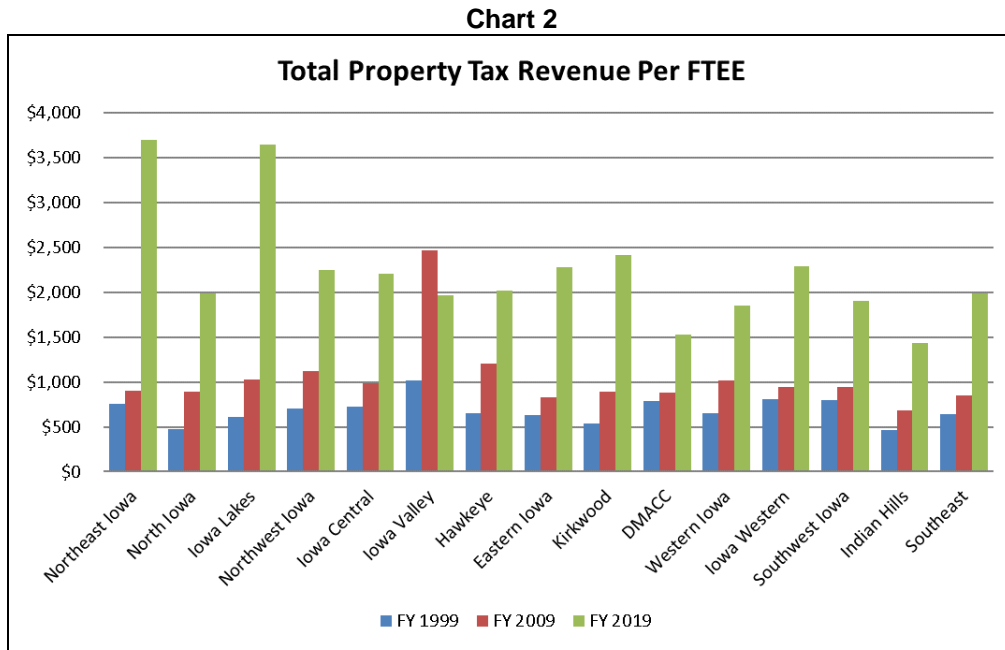
Total Revenue from Levies

Total statewide community college revenue from property tax grew from \$50.7 million in FY 1999 to \$166.6 million in FY 2019. **Chart 1** shows property tax revenue by community college.



Property Tax Revenue Per FTEE

Statewide community college revenue from property tax per FTEE grew from \$665.71 in FY 1999 to \$2,090.00 in FY 2019. **Chart 2** shows the revenue per FTEE by community college.



Taxable Valuation

Total statewide taxable valuation (excluding utility replacement) increased from \$88.556 billion in FY 1999 to \$174.201 billion in FY 2019. Over the same period, total valuation per FTEE increased from \$1.2 million to \$2.2 million statewide. **Chart 3** shows the valuation per FTEE by community college.

