

Frank J. Stork
Secretary of Senate
State Capitol Building
Des Moines, Iowa

February 28, 1980

Reprinted 1/22

I hereby certify that House File 2072, was published in the Marshalltown Times-Republican, Marshalltown, Iowa, on February 23, 1980, and in the Globe-Gazette, Mason City, Iowa, on February 23, 1980.

HOUSE FILE 2072

BY COMMITTEE ON WAYS
AND MEANS

Respectfully submitted,
MELVIN D. SYNHORST
Secretary of State

Passed House, Date 1-17-80 (p. 126) Passed Senate, Date 2-4-80
Vote: Ayes 84 Nays 14 Vote: Ayes 28 Nays 11
Approved Feb 14, 1980

A BILL FOR

- 1 An Act relating to property taxation by providing additional
- 2 property tax credits for property owners by increasing the
- 3 homestead tax credit and the agricultural land tax credit,
- 4 by providing for the valuation of agricultural structures,
- 5 commercial property, industrial property, and property
- 6 valued by the department of revenue at a percentage of its
- 7 actual value for tax purposes and making the Act retroactive.
- 8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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5028-5
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2072

Sec. 5005
1979

1 Section 1. Section four hundred twenty-five point one
2 (425.1), subsections two (2), four (4), and seven (7), Code
3 1979, are amended to read as follows:

4 2. The homestead credit fund shall be apportioned each
5 year so as to give a credit against the tax on each eligible
6 homestead in the state in an amount equal to the actual levy
7 on the first four thousand ~~five~~ seven hundred fifty dollars
8 of actual value for each homestead.

9 4. Annually the department of revenue shall estimate the
10 credit not to exceed the actual levy on the first four thousand
11 ~~five~~ seven hundred fifty dollars of actual value of each
12 eligible homestead, and shall certify to the county auditor
13 of each county ~~such~~ the credit and ~~the~~ its amount in dollars
14 ~~thereof~~. Each county auditor shall then enter ~~such~~ the credit
15 against the tax levied on each eligible homestead in each
16 county payable during the ensuing year, designating on the
17 tax lists ~~such~~ the credit as being from the homestead credit
18 fund, and credit shall then be given to the several taxing
19 districts in which ~~such~~ eligible homesteads are located in
20 an amount equal to the credits allowed on the taxes of ~~such~~
21 the homesteads. The amount of ~~said~~ credits shall be
22 apportioned by each county treasurer to the several taxing
23 districts as provided by law, in the same manner as though
24 the amount of the credit had been paid by the owners of ~~said~~
25 the homesteads, ~~provided, however, that~~. However, the several
26 taxing districts shall not ~~be permitted to~~ draw the funds
27 so credited until after the semiannual allocations have been
28 received by the county treasurer, as provided in this chapter.
29 Each county treasurer shall show on each tax receipt the
30 amount of credit received from the homestead credit fund.

31 7. Where any special charter city levies and collects
32 its own taxes, the amount of the homestead tax credit allowed
33 on eligible homesteads within the city shall be computed as
34 follows:

35 a. In an amount equal to the tax levy by the special

1 charter city on the first ~~forty-five-hundred~~ four thousand
 2 seven hundred fifty dollars of actual value for each eligible
 3 homestead.

4 b. In an amount equal to the remainder of the consolidated
 5 levy as established by the county auditor on the first ~~forty-~~
 6 ~~five-hundred~~ four thousand seven hundred fifty dollars of
 7 actual value for each eligible homestead.

8 The homestead tax credit computed under this subsection
 9 shall be applicable for each homestead tax credit claimed
 10 between January 1 and July 1 of the year in which the valuation
 11 being taxed by the city and county respectively was
 12 established.

13 Sec. 2. Section four hundred twenty-six point one (426.1),
 14 Code 1979, is amended to read as follows:

15 426.1 AGRICULTURAL LAND CREDIT FUND. There is hereby
 16 created as a permanent fund in the office of the treasurer
 17 of state a fund to be known as the agricultural land credit
 18 fund, and for the purpose of establishing and maintaining
 19 said fund for each fiscal year there is appropriated thereto
 20 from funds in the general fund not otherwise appropriated
 21 the sum of ~~forty-two~~ forty-three million dollars. Any balance
 22 in said fund on June 30 shall revert to the general fund.

23 Sec. 3. Section four hundred forty-one point twenty-one
 24 (441.21), Code 1979, as amended by Acts of the Sixty-eighth
 25 General Assembly, 1979 Session, chapter twenty-five (25),
 26 sections three (3), four (4), five (5), and six (6), is amended
 27 by inserting after subsection five (5) the following new
 28 subsection:

29 NEW SUBSECTION. For valuations established as of January
 30 1, 1979, commercial property and industrial property, excluding
 31 properties referred to in section four hundred twenty-seven
 32 A point one (427A.1), subsection six (6), of the Code, shall
 33 be assessed as a percentage of the actual value of each class
 34 of property. The percentage shall be determined for each
 35 class of property by the director of revenue for the state

1 in accordance with the provisions of this section. For
2 valuations established as of January 1, 1979, the percentage
3 shall be the quotient of the dividend and divisor as defined
4 in this section. The dividend for each class of property
5 shall be the total actual valuation for each class of property
6 established for 1978, plus six percent of the amount so
7 determined. The divisor for each class of property shall
8 be the valuation for each class of property established for
9 1978, as reported by the assessors on the abstracts of
10 assessment for 1978, plus the amount of value added to the
11 total actual value by the revaluation of existing properties
12 in 1979 as equalized by the director of revenue pursuant to
13 section four hundred forty-one point forty-nine (441.49) of
14 the Code. For valuations established as of January 1, 1979,
15 property valued by the department of revenue pursuant to
16 chapter four hundred twenty-eight (428), four hundred thirty-
17 three (433), four hundred thirty-six (436), four hundred
18 thirty-seven (437), and four hundred thirty-eight (438) of
19 the Code shall be considered as one class of property and
20 shall be assessed as a percentage of its actual value. The
21 percentage shall be determined by the director of revenue
22 in accordance with the provisions of this section. For
23 valuations established as of January 1, 1979, the percentage
24 shall be the quotient of the dividend and divisor as defined
25 in this section. The dividend shall be the total actual
26 valuation established for 1978 by the department of revenue,
27 plus ten percent of the amount so determined. The divisor
28 for property valued by the department of revenue pursuant
29 to chapters four hundred twenty-eight (428), four hundred
30 thirty-three (433), four hundred thirty-six (436), four hundred
31 thirty-seven (437), and four hundred thirty-eight (438) of
32 the Code shall be the valuation established for 1978, plus
33 the amount of value added to the total actual value by the
34 revaluation of the property by the department of revenue as
35 of January 1, 1979. For valuations established as of January

1, 1980, commercial property and industrial property, excluding
2 properties referred to in section four hundred twenty-seven
3 A point one (427A.1), subsection six (6), of the Code, shall
4 be assessed at a percentage of the actual value of each class
5 of property. The percentage shall be determined for each
6 class of property by the director of revenue for the state
7 in accordance with the provisions of this section. For
8 valuations established as of January 1, 1980, the percentage
9 shall be the quotient of the dividend and divisor as defined
10 in this section. The dividend for each class of property
11 shall be the dividend as determined for each class of property
12 for valuations established as of January 1, 1979, adjusted
13 by the product obtained by multiplying the percentage
14 determined for that year by the amount of any additions or
15 deletions to actual value, excluding those resulting from
16 the revaluation of existing properties, as reported by the
17 assessors on the abstracts of assessment for 1979, plus four
18 percent of the amount so determined. The divisor for each
19 class of property shall be the total actual value of all such
20 property in 1979, as equalized by the director of revenue
21 pursuant to section four hundred forty-one point forty-nine
22 (441.49) of the Code, plus the amount of value added to the
23 total actual value by the revaluation of existing properties
24 in 1980. The director shall utilize information reported
25 on the abstracts of assessment submitted pursuant to section
26 four hundred forty-one point forty-five (441.45) of the Code
27 in determining such percentage. For valuations established
28 as of January 1, 1980, property valued by the department of
29 revenue pursuant to chapters four hundred twenty-eight (428),
30 four hundred thirty-three (433), four hundred thirty-six
31 (436), four hundred thirty-seven (437), and four hundred
32 thirty-eight (438) of the Code shall be assessed at a
33 percentage of its actual value. The percentage shall be
34 determined by the director of revenue in accordance with the
35 provisions of this section. For valuations established as

1 of January 1, 1980, the percentage shall be the quotient of
2 the dividend and divisor as defined in this section. The
3 dividend shall be the total actual valuation established for
4 1979 by the department of revenue, plus ten percent of the
5 amount so determined. The divisor for property valued by
6 the department of revenue pursuant to chapters four hundred
7 twenty-eight (428), four hundred thirty-three (433), four
8 hundred thirty-six (436), four hundred thirty-seven (437),
9 and four hundred thirty-eight (438) of the Code shall be the
10 valuation established for 1979, plus the amount of value added
11 to the total actual value by the revaluation of the property
12 by the department of revenue as of January 1, 1980. For
13 valuations established as of January 1, 1981, and each year
14 thereafter, the percentage of actual value as equalized by
15 the director of revenue as provided in section four hundred
16 forty-one point forty-nine (441.49) of the Code at which
17 commercial property and industrial property, excluding
18 properties referred to in section four hundred twenty-seven
19 A point one (427A.1), subsection six (6), of the Code, shall
20 be assessed shall be calculated in accordance with the methods
21 provided herein, except that any references to six percent
22 in this subsection shall be four percent. For valuations
23 established as of January 1, 1981, and each year thereafter,
24 the percentage of actual value at which property valued by
25 the department of revenue pursuant to chapters four hundred
26 twenty-eight (428), four hundred thirty-three (433), four
27 hundred thirty-six (436), four hundred thirty-seven (437),
28 and four hundred thirty-eight (438) of the Code shall be
29 assessed shall be calculated in accordance with the methods
30 provided herein. Beginning with valuations established as
31 of January 1, 1979, and each year thereafter, property valued
32 by the department of revenue pursuant to chapter four hundred
33 thirty-four (434) of the Code shall also be assessed at a
34 percentage of its actual value which percentage shall be equal
35 to the percentage determined by the director of revenue for

1 commercial property, industrial property, or property valued
2 by the department of revenue pursuant to chapters four hundred
3 twenty-eight (428), four hundred thirty-three (433), four
4 hundred thirty-six (436), four hundred thirty-seven (437),
5 and four hundred thirty-eight (438) of the Code, whichever
6 is lowest.

7 Sec. 4. Section four hundred forty-one point twenty-one
8 (441.21), subsection six (6), Code 1979, as amended by Acts
9 of the Sixty-eighth General Assembly, 1979 Session, chapter
10 twenty-five (25), section six (6), is amended to read as
11 follows:

12 6. Beginning with valuations established as of January
13 1, 1978, the assessors shall report the aggregate taxable
14 values and the number of dwellings located on agricultural
15 land and the aggregate taxable value of all other structures
16 on agricultural land. Beginning with valuations established
17 as of January 1, 1981, ~~such-agricultural-structures-and the~~
18 agricultural dwellings located on agricultural land shall
19 be valued at their market value as defined in this section
20 ~~and-agricultural-structures~~ and agricultural dwellings shall
21 ~~each-constitute-a-separate-class-of~~ be valued as rural
22 residential property and shall be assessed at the same
23 percentage of actual value as is all other residential
24 property.

25 Sec. 5. Section four hundred forty-one point twenty-one
26 (441.21), Code 1979, as amended by Acts of the Sixty-eighth
27 General Assembly, 1979 Session, chapter twenty-five (25),
28 sections three (3), four (4), five (5), and six (6), is amended
29 by inserting after subsection eight (8) the following new
30 subsection:

31 NEW SUBSECTION. For valuations established as of January
32 1, 1980, against which taxes will be levied for the fiscal
33 year beginning in the 1980 calendar year by any special charter
34 city that levies and collects its own taxes, the percentage
35 of actual value at which commercial and industrial property,

1 excluding properties referred to in section four hundred
2 twenty-seven A point one (427A.1), subsection six (6), of
3 the Code, shall be assessed shall be the quotient of the
4 dividend and divisor as defined in this section. The dividend
5 for each class of property shall be the valuation for each
6 class of property for valuations established as of January
7 1, 1979, and upon which any special charter city levied its
8 taxes in 1979, plus four percent of the amount so determined.
9 The divisor for each class of property shall be the total
10 actual value of all such property for 1979, as equalized by
11 the director of revenue pursuant to section four hundred
12 forty-one point forty-nine (441.49) of the Code, plus the
13 amount of value added to said total actual value by the
14 revaluation of existing properties in 1980. For valuations
15 established as of January 1, 1980, property valued by the
16 department of revenue pursuant to chapters four hundred twenty-
17 eight (428), four hundred thirty-three (433), four hundred
18 thirty-six (436), four hundred thirty-seven (437), and four
19 hundred thirty-eight (438) of the Code shall be considered
20 as one class of property and shall be assessed at a percentage
21 of its actual value. The percentage shall be determined by
22 the director of revenue in accordance with the provisions
23 of this section. For valuations established as of January
24 1, 1980, the percentage shall be the quotient of the dividend
25 and divisor as defined in this section. The dividend shall
26 be the total actual valuation established for 1979 by the
27 department of revenue, plus ten percent of the amount so
28 determined. The divisor for property valued by the department
29 of revenue pursuant to chapters four hundred twenty-eight
30 (428), four hundred thirty-three (433), four hundred thirty-
31 six (436), four hundred thirty-seven (437), and four hundred
32 thirty-eight (438) of the Code shall be the valuation
33 established for 1979, plus the amount of value added to the
34 total actual value by the revaluation of the property by the
35 department of revenue as of January 1, 1980. Property valued

1 by the department of revenue pursuant to chapter four hundred
2 thirty-four (434) of the Code shall also be assessed at a
3 percentage of its actual value which shall be equal to the
4 percentage determined by the director of revenue for commercial
5 property, industrial property, or property valued by the
6 department of revenue pursuant to chapters four hundred twenty-
7 eight (428), four hundred thirty-three (433), four hundred
8 thirty-six (436), four hundred thirty-seven (437), and four
9 hundred thirty-eight (438) of the Code, whichever is lowest.
10 The percentage at which commercial property, industrial
11 property and property valued by the department of revenue
12 pursuant to chapters four hundred twenty-eight (428), four
13 hundred thirty-three (433), four hundred thirty-four (434),
14 four hundred thirty-six (436), four hundred thirty-seven
15 (437), and four hundred thirty-eight (438) of the Code shall
16 be assessed will be certified by the director on or before
17 May 31, 1980 to the appropriate city official in special
18 charter cities that levy and collect their own taxes. The
19 percentage so certified shall be applicable only to those
20 valuations against which the special charter city levies its
21 own tax. For valuations established as of January 1, 1981,
22 and each year thereafter for any special charter city that
23 levies and collects its own taxes, the percentage of actual
24 value as equalized by the director of revenue as provided
25 in section four hundred forty-one point forty-nine (441.49)
26 at which commercial property and industrial property, excluding
27 property referred to in section four hundred twenty-seven
28 A point one (427A.1), subsection six (6), of the Code, and
29 property valued by the department of revenue pursuant to
30 chapters four hundred twenty-eight (428), four hundred thirty-
31 three (433), four hundred thirty-four (434), four hundred
32 thirty-six (436), four hundred thirty-seven (437), and four
33 hundred thirty-eight (438) of the Code shall be assessed shall
34 be calculated in accordance with the methods provided herein
35 adjusted to include the applicable and current values as

1 equalized by the director of revenue, except that any
2 references to six percent in this subsection shall be four
3 percent. The assessor shall provide valuation information
4 to the director of revenue sufficient for the computation
5 of the assessment percentage by May fifteenth of each year
6 on forms prescribed by the director of revenue.

7 Sec. 6. Section four hundred forty-one point twenty-one
8 (441.21), subsection twelve (12), Code 1979, as amended by
9 Acts of the Sixty-eighth General Assembly, 1979 Session,
10 chapter twenty-five (25), section five (5), is amended to
11 read as follows:

12 12. Not later than November 1, 1979, and November first
13 of each subsequent year, the director shall certify to the
14 county auditor of each county the percentages of actual value
15 at which residential and property, agricultural property,
16 commercial property, industrial property, and property valued
17 by the department of revenue pursuant to chapters four hundred
18 twenty-eight (428), four hundred thirty-three (433), four
19 hundred thirty-four (434), four hundred thirty-six (436),
20 four hundred thirty-seven (437), and four hundred thirty-eight
21 (438) of the Code in each assessing jurisdiction in the county
22 shall be assessed for taxation. The county auditor shall
23 proceed to determine the assessed values of agricultural
24 and property, residential property, commercial property,
25 industrial property, and property valued by the department
26 of revenue pursuant to chapters four hundred twenty-eight
27 (428), four hundred thirty-three (433), four hundred thirty-
28 four (434), four hundred thirty-six (436), four hundred thirty-
29 seven (437), and four hundred thirty-eight (438) of the Code
30 by applying such percentages to the current actual value of
31 such property, as reported to the county auditor by the
32 assessor, and the assessed values so determined shall be the
33 taxable values of such properties upon which the levy shall
34 be made.

35 Sec. 7. Section four hundred forty-one point twenty-one

1 (441.21), subsection thirteen (13), Code 1979, is amended
2 to read as follows:

3 13. The percentage of actual value computed by the director
4 for agricultural and property, residential property, commercial
5 property, industrial property and property valued by the
6 department of revenue pursuant to chapters four hundred twenty-
7 eight (428), four hundred thirty-three (433), four hundred
8 thirty-four (434), four hundred thirty-six (436), four hundred
9 thirty-seven (437), and four hundred thirty-eight (438) of
10 the Code and used to determine assessed values of those classes
11 of property does not constitute a rule as defined in section
12 17A.2, subsection 7.

13 Sec. 8. Notwithstanding the provisions of section four
14 hundred forty-one point twenty-one (441.21), subsection twelve
15 (12), of the Code, as amended by section six (6) of this Act,
16 the director of revenue shall certify to the county auditor
17 of each county the percentages of actual value at which
18 commercial property, industrial property and property valued
19 by the department of revenue pursuant to chapters four hundred
20 twenty-eight (428), four hundred thirty-three (433), four
21 hundred thirty-four (434), four hundred thirty-six (436),
22 four hundred thirty-seven (437), and four hundred thirty-eight
23 (438) of the Code in each assessing jurisdiction in the county
24 shall be assessed for taxation not later than fifteen days
25 following the effective date of this Act. The county auditor
26 shall immediately proceed to apply the percentages certified
27 by the director of revenue in the manner provided under section
28 four hundred forty-one point twenty-one (441.21), subsection
29 twelve (12), of the Code.

30 Sec. 9. The provisions of section one (1) of this Act
31 are retroactive to January 1, 1979 for credits claimed on
32 or after January 1, 1979 and approved under chapter four hun-
33 dred twenty-five (425) of the Code for a homestead tax credit
34 on an eligible homestead and to this extent the provisions
35 of section one (1) of this Act are retroactive.

1 Sec. 10. The provisions of section three (3) and sections
2 five (5) through seven (7) of this Act are retroactive to
3 January 1, 1979 for actual values determined as of January
4 1, 1979 for commercial property, industrial property, and
5 property valued by the department of revenue pursuant to
6 chapters four hundred twenty-eight (428), four hundred thirty-
7 three (433), four hundred thirty-four (434), four hundred
8 thirty-six (436), four hundred thirty-seven (437), and four
9 hundred thirty-eight (438) of the Code for which the assessed
10 value shall be determined pursuant to the provisions of section
11 three (3) and sections five (5) through seven (7) of this
12 Act and to this extent the provisions of section three (3)
13 and sections five (5) through seven (7) of this Act are
14 retroactive.

5007
15 Sec. 11. This Act, being deemed of immediate importance,
16 shall take effect from and after its publication in the
17 Marshalltown^{2/23} Times-Republican, a newspaper published in
18 Marshalltown, Iowa, and in the Globe^{2/23}-Gazette, a newspaper
19 published in Mason City, Iowa.

20 EXPLANATION

21 The bill increases the homestead tax credit from the actual
22 levy on the first \$4,500 of valuation to the actual levy on
23 the first \$4,750 of valuation effective for homestead tax
24 credits claimed on or after January 1, 1979 and on or before
25 July 1, 1979. The bill increases the standing appropriation
26 to the agricultural land tax credit fund from \$42,000,000
27 to \$43,000,000.

28 The bill also provides that commercial, industrial, and
29 all centrally-assessed property, except railroad property,
30 shall be valued by the department of revenue at a percentage
31 of its actual value for tax purposes effective with January
32 1, 1979 values. Railroad property will be assessed at the
33 same percentage as commercial property, industrial property,
34 or other centrally-assessed property whichever is lowest.
35 The same limits applicable to agricultural and residential

1 property are applicable to commercial, industrial, and
2 centrally-assessed property. The bill provides that the
3 director of revenue shall certify the percentages to be applied
4 to commercial, industrial, and centrally-assessed property
5 not more than fifteen days following enactment of the bill.
6 The bill also provides that agricultural dwellings shall be
7 valued as rural residential property and assessed at the same
8 percentage of actual value as is all other residential property
9 beginning with valuations established as of January 1, 1981.
10 The bill is effective upon publication.

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FISCAL NOTE
H.F. 2072 (Amendment H-5012)
Requested by Representative West
January 17, 1980

In compliance with a written request, there is hereby submitted
a Fiscal Note for Amendment H-5012 to H.F. 2072 pursuant to Joint Rule 16.

In addition to the impacts of H.F. 2072, the amendment provides \$100 more covered
valuation for homestead tax credits and \$500,000 in agricultural land tax credits.
The State general fund cost of the additional homestead credit is \$1.9 million.
Thus, the amendment provides \$2.4 million in tax credits.

FILED JANUARY 22, 1980

GERRY D. RANKIN
Legislative Fiscal Bureau

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FISCAL NOTE
HOUSE FILE 2072
Requested by Representative West
January 15, 1980

In compliance with a written request, there is submitted a Fiscal Note for H.F. 2072, pursuant to Joint Rule 16.

H.F. 2072 makes the following changes in the property tax law: 1) increases the homestead credit from the levy on the first \$4,500 of valuation to the first \$4,750, 2) increases the standing appropriation for the agricultural land tax credit from \$42,000,000 to \$43,000,000, 3) limits the annual revaluation growth of commercial and industrial property to 6 percent in 1979 and 4 percent thereafter, 4) railroad property shall be valued at the same percentage as commercial or industrial property, whichever is lower, 5) centrally assessed property (Utilities) other than railroad property will be limited to 10 percent annual growth, and 6) agricultural dwellings will be valued as rural residential property subject to the same provisions as all other residential property beginning with valuations as of January 1, 1981.

The FY '81 fiscal effects of LSB 3600H are estimated to be:

1) Increase in homestead credit benefits due to \$250 increase in covered valuation	\$ 4,800,000
2) Increase in homestead credit benefits due to increases in levy rates from the shift in tax burden caused by limits on commercial, industrial, railroads, and other utilities.	1,500,000
3) Increase in limited standing appropriation for agriculture land tax credit	1,000,000
4) Increase in state cost of school aid foundation	<u>4,700,000</u>
Total cost to State General Fund during FY '81	<u>\$ 12,000,000</u>

FILED JANUARY 17, 1980

GERRY D. RANKIN
Legislative Fiscal Bureau

FISCAL NOTE
HOUSE FILE 2072
Requested by Representative West
January 17, 1980

In compliance with a written request, there is submitted a Fiscal Note for Amendment H-5012 to H.F. 2072, pursuant to Joint Rule 16.

In addition to the impacts of H.F. 2072, the amendment provides \$100 more covered valuation for homestead tax credits and \$1.5 million in agricultural land tax credits. The State general fund cost of the additional homestead credit is \$1.9 million. Thus, the amendment provides \$2.4 million in tax credits.

FILED JANUARY 17, 1980

GERRY D. RANKIN
Legislative Fiscal Bureau

HOUSE FILE 2072

H-5013

1 Amend House File 2072 as follows:

2 1. Page 10, by inserting after line 12 the
3 following new section:

4 "Sec. ____ . Section four hundred forty-one point
5 twenty-one (441.21), Code 1979, is amended by adding
6 the following new subsections:

7 NEW SUBSECTION. Beginning with the January 1,
8 1980 assessment, assessors shall identify and report
9 to the department of revenue on the annual abstract
10 of assessment, the number and value of commercial
11 residential properties consisting of three or more
12 separate living quarters for human habitation which
13 are used primarily as permanent commercial residential
14 dwellings. The properties shall not include properties
15 intended to be used as temporary commercial residential
16 dwellings including but not limited to hotels and
17 motels, nor shall it include properties having
18 commercial residential facilities which are incidental
19 to a primary purpose which is not to provide permanent
20 commercial residential dwellings. The assessor shall
21 also report separately the number and value of those
22 properties which are not commercial residential as
23 defined herein but consist in part of rental liv-
24 ing quarters for permanent human habitation. The
25 value reported shall include only the value of the
26 portions of the properties used as permanent rental
27 living quarters.

28 NEW SUBSECTION. Commencing January 1, 1981,
29 commercial residential properties as defined in this
30 section shall become a separate class of property
31 and shall be subject to the provisions of chapters
32 four hundred twenty-one (421), four hundred twenty-
33 eight (428), and four hundred forty-one (441) of the
34 Code.

35 NEW SUBSECTION. For valuations established as
36 of January 1, 1981, commercial residential property
37 shall be assessed at a percentage of actual value.
38 The percentage shall be determined by the director
39 of revenue for the state in accordance with the
40 provisions of this section. For valuations established
41 as of January 1, 1981, the percentage shall be the
42 quotient of the dividend and divisor as defined in
43 this section. The dividend shall be the total
44 equalized value of such property in the state in 1980,
45 adjusted for additions or deletions to said value,
46 excluding those resulting from the revaluation of
47 existing properties as equalized by the director of
48 revenue on or before October first as provided by
49 section four hundred forty-one point forty-nine
50 (441.49) of the Code, as reported by the assessors

H-5013
Page Two

1 on the abstracts of assessment submitted in 1981,
2 plus six percent of the 1980 equalized value of such
3 property or the amount of value added by the
4 revaluation of existing properties as equalized by
5 the director of revenue on or before October first,
6 as provided by section four hundred forty-one point
7 forty-nine (441.49) of the Code, in 1981 whichever
8 is less. The divisor shall be the total value of
9 such property in the state as reported by the assessors
10 on the abstracts of assessment submitted in 1980,
11 plus the amount of value added in 1981 by the
12 revaluation of existing properties as equalized by
13 the director of revenue on or before October first
14 as provided by section four hundred forty-one point
15 forty-nine (441.49) of the Code. However, if the
16 differences between the dividend determined for
17 commercial residential properties and the dividends
18 calculated for agricultural or residential properties
19 is less than six percent according to the methods
20 prescribed in subsection five (5) of this section,
21 the dividends for agricultural and residential
22 properties shall be adjusted in accordance with the
23 methods prescribed in subsection five (5) of this
24 section. However, if the difference between the
25 dividends determined for agricultural or residential
26 properties and the dividend calculated for commercial
27 residential properties is less than six percent
28 according to the methods prescribed in subsection
29 five (5) of this section, the dividend for commercial
30 residential properties shall be adjusted in accordance
31 with the methods prescribed in subsection five (5)
32 of this section. For valuations established as of
33 January 1, 1982, and each year thereafter, the
34 percentage of actual value as equalized by the director
35 of revenue on or before October first as provided
36 by section four hundred forty-one point forty-nine
37 (441.49) of the Code, at which commercial residential
38 property shall be assessed shall be calculated in
39 accordance with the methods provided herein adjusted
40 to include the applicable and current values as
41 equalized by the director of revenue.

B

42 NEW SUBSECTION. For valuations established as
43 of January 1, 1981, against which taxes will be levied
44 by any special charter city, commercial residential
45 property shall be assessed at a percentage of actual
46 value. The percentage shall be determined by the
47 director of revenue and shall be the quotient of the
48 dividend and divisor as defined in this section.
49 The dividend shall be the total value of such property
50 in the special charter city established as of January

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1 1, 1980, adjusted for additions or deletions to said
2 value, excluding those resulting from the revaluation
3 of existing properties as equalized by the director
4 of revenue as reported by the assessors on the
5 abstracts of assessment submitted in 1981, plus six
6 percent of the 1980 equalized value of such property
7 or the amount of value added by the revaluation of
8 existing properties as equalized by the director of
9 revenue in 1981 whichever is less. The divisor shall
10 be the total value of such property in the special
11 charter city as reported by the assessors on the
12 abstracts of assessment submitted in 1980, plus the
13 amount of value added in 1981 by the revaluation of
14 existing properties as equalized by the director of
15 revenue. The percentage at which commercial
16 residential property shall be assessed will be
17 certified by the director of revenue on or before
18 May 31, 1981, to the appropriate city official for
19 special charter cities that levy and collect their
20 own taxes. For valuations established as of January
21 1, 1982, and each year thereafter for any special
22 charter city that levies and collects its own taxes,
23 the percentage of actual value as equalized by the
24 director of revenue at which commercial residential
25 property shall be assessed shall be calculated and
26 certified in accordance with the methods provided
27 herein adjusted to include the applicable and current
28 values as equalized by the director of revenue.

29 NEW SUBSECTION. Not later than November first
30 of each year or May thirty-first of each year for
31 special charter cities, the assessor shall certify
32 to the county auditor those properties not classified
33 as commercial residential which consist in part of
34 rental living quarters for human habitation. The
35 assessors certification shall include the value of
36 that portion of the property that is used for permanent
37 rental human habitation. Such certified value for
38 each property shall be subject to the assessment
39 percentage determined for the class of commercial
40 residential property pursuant to the provisions of
41 this Act."

42 2. Renumber sections and correct internal
43 references as are necessary in accordance with this
44 amendment.

H-5013 FILED

JANUARY 17, 1980

DIV. A - LOST (p. 114)

DIV. B - LOST

BY ANDERSON of Jasper

- 1 Amend House File 2072 as follows:
 2 1. Page 1, line 7, by striking the word "seven"
 3 and inserting in lieu thereof the word "eight".
 4 2. Page 1, line 11, by striking the word "seven"
 5 and inserting in lieu thereof the word "eight".
 6 3. Page 2, line 2, by striking the word "seven"
 7 and inserting in lieu thereof the word "eight".
 8 4. Page 2, line 6, by striking the word "seven"
 9 and inserting in lieu thereof the word "eight".
 10 5. Page 2, line 21, by inserting after the word
 11 "million" the words "five hundred thousand".
 12 6. Page 5, line 4, by striking the word "ten"
 13 and inserting in lieu thereof the word "eight".
 14 7. Page 5, line 30, by inserting after the word
 15 "herein" the words ", except that any references to
 16 ten percent in this subsection shall be eight percent".
 17 8. Page 8, line 28, by striking the word "and".
 18 9. Page 8, by striking lines 29 through 32.
 19 10. Page 8, line 33, by striking the words and
 20 numerals "hundred thirty-eight (438) of the Code".
 21 11. Page 9, line 6, by inserting after the period
 22 the words "For valuations established as of January
 23 1, 1981, and each year thereafter, in a special charter
 24 city which levies and collects its own taxes, the
 25 percentage of actual value at which property valued
 26 by the department of revenue pursuant to chapters
 27 four hundred twenty-eight (428), four hundred thirty-
 28 three (433), four hundred thirty-six (436), four
 29 hundred thirty-seven (437), and four hundred thirty-
 30 eight (438) of the Code shall be assessed shall be
 31 calculated in accordance with the methods provided
 32 herein, except that any references to ten percent
 33 in this subsection shall be eight percent."

BY WEST of Marshall	HUMMEL of Benton
CLARK of Lee	MULLINS of Kossuth
THOMPSON of Polk	RITSEMA of Sioux
HANSEN of O'Brien	CLARK of Cerro Gordo
HALVORSON of Clayton	SHIMANEK of Jones
HARBOR of Mills	MCKEAN of Jones
TYRRELL of Iowa	SCHNEKLOTH of Scott
SMALLEY of Polk	BENNETT of Ida
POPE of Polk	TOFTE of Winneshiek
MAULSBY of Calhoun	COREY of Louisa
JOHNSON of Howard	RENKEN of Grundy
BRANDSTAD of Winnebago	ANDERSON of Audubon
DAGGETT of Taylor	PELLETT of Cass
LAGESCHULTE of Bremer	JOHNSON of Woodbury
DANKER of Pottawattamie	MENKE of O'Brien
LORENZEN of Scott	DIEMER of Black Hawk
SHULL of Warren	SWEARINGEN of Keokuk
JOHNSON of Linn	VAN MAANEN of Mahaska
SCHROEDER of Pottawattamie	KIRKENS LAGER of Des Moines
LARSEN of Wapello	HOFFMANN of Muscatine
LURA of Marshall	EGENES of Story
HANSON of Delaware	PELTON of Clinton
HIBBS of Johnson	CONLON of Muscatine
	CRAWFORD of Story

1 Amend House File 2072 as follows:
 2 1. Page 10, by inserting after line 12 the
 3 following:
 4 "Sec. 8. Section four hundred forty-four point
 5 nine (444.9), subsection four (4), Code 1979, is
 6 amended to read as follows:
 7 4. DES MOINES COUNTY LEVY. In all counties having
 8 a population of thirty-five thousand, or more, and
 9 not more than ~~forty~~ forty-five thousand, and having
 10 an ordnance plant ~~located~~ located therein owned by the United
 11 States government, the board of supervisors may, with
 12 the approval of the state comptroller, levy not to
 13 exceed fifty-four cents per thousand dollars of
 14 assessed value under the provisions of this section."
 15 2. Page 11, by inserting after line 14 the
 16 following:
 17 "Sec. _____. The provisions of section eight (8)
 18 of this Act are retroactive to January 1, 1980 for
 19 determination of the county property tax levy for
 20 budgets for the fiscal year beginning July 1, 1980
 21 and to this extent the provision of section eight
 22 (8) of this Act is retroactive."
 23 3. Title page, line 7, by inserting after the
 24 word "purposes" the words ", by altering the
 25 qualification for a county to levy a property tax
 26 because of a federal ordnance plant".
 27 4. By numbering, renumbering and changing internal
 28 references as required by this amendment.

H-5008 FILED. *Adopted 1/17 (p. 110)*
 JANUARY 16, 1980

BY SPEAR of Lee
 COREY of Louisa
 KIRKENSLAGER of Des Moines

HOUSE FILE 2072

H-5011

1 Amend House File 2072 as follows:
 2 1. Page 1, by inserting before line 1 the
 3 following:
 4 "Sec. _____. Acts of the Sixty-eighth General
 5 Assembly, 1979 Session, chapter four (4), section
 6 four (4), is amended to read as follows:
 7 SEC. 4. There is appropriated from the general
 8 fund of the state to the county government assistance
 9 fund, established in section three hundred thirty-
 10 four A point one (334A.1) of the Code, for each fiscal
 11 year of the fiscal biennium beginning July 1, 1979
 12 and ending June 30, 1981, the following amounts, or
 13 so much thereof as may be necessary, to be used for
 14 state assistance to counties, with distribution in
 15 accordance with section three hundred thirty-four
 16 A point two (334A.2) of the Code.
 17

	1979-1980	1980-1981
	<u>Fiscal Year</u>	<u>Fiscal Year</u>
	\$ 5,000,000	\$ 5,000,000
		<u>5,350,000</u> ".

 18
 19
 20
 21 2. Amend title page, line 7, by inserting after
 22 the word "making" the words "an appropriation and making".

H-5011 FILED
 JANUARY 17, 1980
 NOT GERMANE (p. 93)
 MOTION TO SUSPEND

BY BINNEBOESE of Plymouth
 BINA of Scott
 NORLAND of Worth
 BRANDT of Black Hawk

O'KANE of Woodbury
 JAY of Appanoose
 HUSAK of Tama
 HINKHOUSE of Cedar

1 Amend House File 2072 as follows:
2 1. Page 11, by inserting after line 14 the
3 following:
4 "NEW SECTION. The legislative council is directed
5 to create a ten-member study committee composed of
6 five members each from the standing committee on ways
7 and means of the senate and house of representatives
8 representing both political parties, which committee
9 shall conduct a comprehensive study of the present
10 property tax structure. The study shall include,
11 but not be limited to, the following:
12 1. How different types and classes of property
13 should be valued for property tax assessment purposes.
14 2. The impact of property tax assessment limits
15 on the distribution of state school aid under the
16 foundation plan.
17 3. The impact of property tax assessment limits
18 on city and county budgets.
19 4. The advisability of taxing improvements to
20 land relatively less than unimproved land.
21 5. The feasibility of assessing additional classes
22 of property on a capitalized potential income basis.
23 Expenses of the study committee, including the
24 cost for employing persons or business firms to assist
25 the committee in its study shall be paid from funds
26 available under section two point twelve (2.12) of
27 the Code.
28 The study shall transmit copies of its final report
29 to the governor and the members of the Sixty-ninth
30 General Assembly, not later than January 12, 1981.
31 The final report shall include findings of fact and
32 its recommendations."

H-5007 FILED - *adopted 1/17 (g 119)*
JANUARY 16, 1980

BY HANSON of Delaware
CONLON of Muscatine

H-5004

1 Amend House File 2072 as follows:
 2 1. Page 2, by inserting after line 12 the
 3 following:
 4 "Sec. _____. Section four hundred twenty-five point
 5 one (425.1), Code 1979, is amended by adding the
 6 following new subsection:
 7 NEW SUBSECTION. Beginning with the 1980 calendar
 8 year and for each succeeding calendar year, the dollar
 9 amount of actual value used to compute the homestead
 10 credit as specified in subsections two (2), four (4)
 11 and seven (7) of this section shall be increased by
 12 fifty dollars for each calendar year. The new dollar
 13 amount of actual value as determined under this
 14 subsection shall apply to credits claimed on or after
 15 January first of the calendar year in which the new
 16 dollar amount is determined."
 17 2. Renumber and make internal references as
 18 required by this amendment.

H-5004 FILED *Lost 1/17 (p. 103)*
 JANUARY 15, 1980

BY SPEAR of Lee
 MILLER of Buchanan

HOUSE FILE 2072

H-5005

1 Amend House File 2072 as follows:
 2 1. Page 1, by inserting before line 1 the
 3 following:
 4 "Sec. _____. Acts of the Sixty-eighth General
 5 Assembly, 1979 Session, chapter four (4), section
 6 five (5), is amended to read as follows:
 7 SEC. 5. There is appropriated from the general
 8 fund of the state to the municipal assistance fund,
 9 established in section four hundred five point one
 10 (405.1) of the Code, for each fiscal year of the
 11 fiscal biennium beginning July 1, 1979 and ending
 12 June 30, 1981, the following amounts, or so much
 13 thereof as may be necessary, to be used for state
 14 assistance to municipalities, with distribution in
 15 accordance with section four hundred five point one
 16 (405.1) of the Code.

17	1979-1980	1980-1981
18	Fiscal Year	Fiscal Year
19	\$13,000,000	\$13,000,000
20		14,650,000"

21 2. Amend the title page, line 7, by inserting
 22 after the word "making" the words "an appropriation
 23 and making".

H-5005 FILED
 JANUARY 16, 1980
Filed in german 1/17 (p. 91)

BY BINA of Scott
 NORLAND of Worth
 PAVICH of Pottawattami
 WELLS of Linn
 ARNOULD of Scott
 DOYLE of Woodbury
 BRANDT of Black Hawk
 ANDERSON of Jasper
 CUSACK of Scott

HOUSE FILE 2072

H-5014

1 Amend House File 2072 as follows:

2 1. Page 10, by inserting after line 12 the
3 following:

4 "Sec. 8. NEW SECTION. Sections eight (8) through
5 sixteen (16) of this Act establishes a state urban
6 funding formula. For each fiscal year, each city
7 in the state is entitled to receive state urban funding
8 which shall be an amount per resident of the city
9 equal to the difference between the amount per resident
10 of general fund property tax in the city and the state
11 urban funding base or the city cost per resident,
12 whichever difference is less. However, if the amount
13 of difference for a city is less than twenty dollars
14 per resident, the city is entitled to receive not
15 less than twenty dollars per resident unless the total
16 amount of aid received plus the amount of the general
17 fund property tax exceeds the city cost for the fiscal
18 year. In such case, the city shall receive in urban
19 funding aid an amount equal to the difference between
20 the amount of the general fund property tax and the
21 city cost for the fiscal year.

22 Sec. 9. NEW SECTION. As used in sections eight
23 (8) through sixteen (16) of this Act:

24 1. "City" means the same as defined in section
25 three hundred sixty-two point two (362.2) of the Code.

26 2. "Per resident" or "per urban resident" means
27 for each resident based on the weighted number of
28 residents.

29 3. "Weighted number of residents" is the number
30 as computed pursuant to section fifteen (15) of this
31 Act.

32 Sec. 10. NEW SECTION.

33 1. The general fund property tax for a city shall
34 be deemed to be the amount of property tax that would
35 be raised in the fiscal year if the eight dollar and
36 ten cent per thousand dollars of the taxable value
37 limit specified in section three hundred eighty-four
38 point one (384.1) of the Code were levied.

39 2. The amount per resident of general fund property
40 tax for a city is the amount of general fund property
41 tax that would be raised in the fiscal year as
42 determined under subsection one (1) of this section,
43 regardless of whether that amount is actually raised,
44 divided by the weighted number of residents of the
45 city for that fiscal year.

46 Sec. 11. NEW SECTION. The state urban funding
47 base for the fiscal year beginning on July 1, 1980,
48 is seventy percent of the state cost per urban
49 resident. For each succeeding fiscal year, the state
50 urban funding base shall be increased by the amount

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1 of one percent of the state cost per urban resident
2 up to a maximum of eighty percent of the state cost
3 per urban resident. The state cost per urban resident
4 shall be as computed pursuant to section twelve (12)
5 of this Act.

6 Sec. 12. NEW SECTION.

7 1. The state cost per urban resident for the
8 fiscal year beginning on July 1, 1980, is the amount
9 determined by dividing the total amount of general
10 fund property taxes actually raised by every city
11 within the state under section three hundred eighty-
12 four point one (384.1) of the Code, excluding the
13 levies authorized in section three hundred eighty-
14 four point twelve (384.12) of the Code, in the previous
15 fiscal year by the weighted number of residents in
16 every city within the state as of the beginning of
17 the previous fiscal year.

18 2. For each succeeding fiscal year, the state
19 cost per urban resident for that fiscal year, is equal
20 to the state cost per urban resident for the previous
21 fiscal year plus the allowable growth for the fiscal
22 year.

23 3. The allowable growth for a fiscal year, for
24 purposes of the computations in sections twelve (12)
25 and fourteen (14) of this Act, is equal to the product
26 of the state cost per urban resident for the previous
27 fiscal year times the state percent of growth for
28 the previous fiscal year as determined under section
29 thirteen (13) of this Act.

30 Sec. 13. NEW SECTION. The state percent of growth
31 for the fiscal year beginning July 1, 1980 and for
32 each succeeding fiscal year shall be computed by the
33 state comptroller prior to September fifteenth
34 immediately following that fiscal year. The state
35 percent of growth shall be the difference between
36 the percent change in the state general fund revenues
37 for that fiscal year, adjusted for changes in rates
38 or basis, and the state general fund revenues for
39 the previous fiscal year minus the percent change
40 in the Iowa consumer price index as of the end of
41 that fiscal year and the Iowa consumer price index
42 as of the end of the previous fiscal year. If the
43 difference as computed is negative, then the state
44 percent of growth for that fiscal year shall be zero.

45 If an Iowa consumer price index is not available
46 from the bureau of labor statistics of the United
47 States department of labor or successor agency, the
48 state comptroller shall compute a consumer price index
49 based upon a comprehensive sampling of the costs of
50 goods and services within Iowa.

1 Sec. 14. NEW SECTION.

2 1. The city cost per resident for the fiscal year
3 beginning on July 1, 1980, is the amount determined
4 by dividing the amount of general fund property taxes
5 actually raised by the city under section three hundred
6 eighty-four point one (384.1) of the Code, excluding
7 the amount raised by the levies authorized in section
8 three hundred eighty-four point twelve (384.12) of
9 the Code, in the previous fiscal year by the weighted
10 number of residents of the city as of the beginning
11 of the previous fiscal year.

12 2. For each succeeding fiscal year, the city cost
13 per resident for that fiscal year is equal to the
14 city cost per resident for the previous fiscal year
15 plus the allowable growth for the fiscal year.

16 3. The city cost for a fiscal year is equal to
17 the city cost per resident for the fiscal year
18 multiplied by the weighted number of residents of
19 the city for the fiscal year.

20 Sec. 15. NEW SECTION. The weighted number of
21 residents of a city for a fiscal year is the population
22 of the city, as provided under chapter four hundred
23 five (405) of the Code, adjusted by the sum of the
24 following:

25 1. The population of the city multiplied by the
26 percent of unemployed residents of the city in excess
27 of the average state percent of unemployed residents
28 of all cities in the state during the calendar year
29 ending in the previous fiscal year as determined by
30 the department of job service.

31 2. The population of the city multiplied by the
32 percent of the population of the city in excess of
33 the average state percent of the population of all
34 cities in the state which have received credit or
35 reimbursement under sections four hundred twenty-five
36 point sixteen (425.16) to four hundred twenty-five
37 point thirty-nine (425.39) of the Code during the
38 calendar year ending in the previous fiscal year as
39 determined by the department of revenue.

40 3. The population of the city multiplied by the
41 percent of the population of the city in excess of
42 the average state percent of the population of all
43 cities in the state which have received at any time
44 during the calendar year ending in the previous fiscal
45 year state supplemental assistance pursuant to chapter
46 two hundred forty-nine (249) of the Code as determined
47 by the department of social services.

48 Sec. 16. NEW SECTION. There is appropriated
49 annually from the general fund of the state to the
50 treasurer of state to be credited to the state urban

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1 funding account, which fund is hereby created, from
2 funds not otherwise appropriated, an amount sufficient
3 to carry out the provisions of this Act. On or before
4 December fifteenth of each fiscal year the state
5 comptroller shall distribute the money in this fund
6 to each city in the amount to which each city is
7 entitled under sections eight (8) through sixteen
8 (16) of this Act as state urban funding aid."

9 2. Title page, line 7, by inserting after the
10 word "purposes" the words "and providing for state
11 urban funding, making an appropriation".

12 3. By renumbering and changing internal references
13 as required by this amendment.

H-5014 FILED JANUARY 17, 1980
WITHDRAWN (7/15)

BY BINA of Scott

1 Amend House File 2072 as follows:

2 1. Page 1, by inserting before line 1 the follow-
3 ing:

4 "Section 1. Chapter four hundred twenty-two (422),
5 Code 1979, is amended by adding sections two (2)
6 through thirteen (13) of this Act as a new division.

7 Sec. 2. NEW SECTION. DEFINITIONS. As used in
8 this division unless the context otherwise requires:

9 1. "Income" means the sum of Iowa net income as
10 defined in section four hundred twenty-two point seven
11 (422.7) of the Code, plus all of the following to
12 the extent not already included in Iowa net income:
13 Capital gains, alimony, child support money, cash
14 public assistance and relief, the gross amount of
15 any pension or annuity, including but not limited
16 to railroad retirement benefits, all payments received
17 under the federal Social Security Act, and all military
18 retirement and veterans' disability pensions, interest
19 received from the state or federal government or any
20 of its instrumentalities, workers' compensation and
21 the gross amount of disability income or "loss of
22 time" insurance. "Income" does not include gifts
23 from nongovernmental sources, or surplus foods or
24 other relief in kind supplied by a governmental agency
25 or renter's relief granted under this division.

26 2. "Household" means a claimant, spouse, and any
27 person related to the claimant or spouse by blood,
28 marriage, or adoption and living with the claimant
29 for more than six months during the tax year. "Living
30 with" refers to domicile and does not include a
31 temporary visit.

32 3. "Household income" means all income of the
33 claimant and the claimant's spouse in a household
34 and actual monetary contributions received from any
35 other household member during their respective twelve-
36 month income tax accounting periods ending with or
37 during the tax year.

38 4. "Homestead" means the dwelling located in this
39 state which is rented and actually used as a home
40 by the claimant during all or part of the tax year
41 or the last dwelling rented and actually used as a
42 home by the claimant in the tax year, and so much
43 of the land surrounding it, not exceeding one acre,
44 as is reasonably necessary for use of the dwelling
45 as a home, and may consist of a part of a multidwelling
46 or multipurpose building and a part of the land upon
47 which it is built. It does not include personal
48 property except that a mobile home may be a homestead.
49 Any dwelling or a part of a multidwelling or
50 multipurpose building which is exempt from property

1 taxation shall not qualify as a homestead under the
2 provisions of this division.

3 5. "Claimant" means a person filing a claim for
4 credit under this division who has attained the age
5 of eighteen years on or before the last day of the
6 tax year, has not been or will not be claimed as a
7 dependent by another person on a state or federal
8 income tax return filed for any part of the tax year
9 and was domiciled in this state during the entire
10 tax year and is domiciled in this state at the time
11 the claim is filed. "Claimant" does not include any
12 person who has previously received or has filed for
13 any part of the tax year a claim for a credit for
14 property taxes due or a claim for reimbursement for
15 rent constituting property taxes paid under sections
16 four hundred twenty-five point sixteen (425.16) through
17 four hundred twenty-five point thirty-nine (425.39)
18 of the Code. The claimant shall have rented a dwelling
19 actually used as a home by the claimant for more than
20 six months during any part of the tax year. When
21 two persons of a household are able to meet the
22 qualifications for a claimant, they may determine
23 between them who will be the claimant. If they are
24 unable to agree, the matter shall be referred to the
25 director of revenue not later than the time required
26 for filing a claim for credit under this division
27 and the director's decision shall be final.

28 6. "Tax year" means the tax year as defined in
29 section four hundred twenty-two point four (422.4)
30 of the Code.

31 Sec. 3. NEW SECTION. CREDIT AND REIMBURSEMENT.
32 Subject to the limitations provided in this division,
33 a claimant may file claim for an income tax credit
34 for the renting of the claimant's homestead during
35 the tax year. After audit or certification by the
36 director, the credit shall be deducted from the
37 claimant's income tax liability for that tax year.
38 If the credit allowed exceeds the claimant's tax
39 liability, any excess shall be paid to the claimant
40 in the same manner as individual income tax refunds
41 are paid under this chapter. Any payments made
42 pursuant to this section shall be from the state
43 general fund.

44 Sec. 4. NEW SECTION. FILING DATE. A claim for
45 an income tax credit for the renting of the claimant's
46 homestead shall not be allowed unless the claim is
47 filed with the claimant's income tax return for the
48 tax year and within the time required for the filing
49 of such return as provided in section four hundred
50 twenty-two point twenty-one (422.21) of the Code.

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1 If an income tax return is not required to be filed,
2 then the claim shall be filed within the time required
3 for the filing of income tax returns for the tax year
4 as provided in section four hundred twenty-two point
5 twenty-one (422.21) of the Code.

6 Sec. 5. NEW SECTION. ONE CLAIMANT PER HOUSEHOLD.
7 Only one claimant per household per year is entitled
8 to a credit under this Act.

9 Sec. 6. NEW SECTION. SCHEDULE FOR CLAIMS FOR
10 CREDIT. The amount of any claim for an income tax
11 credit shall be determined in accordance with the
12 following schedule:

13 If the household	Amount allowed as an
14 income is:	15 income tax credit:
15 \$.00 - 3,999.99	\$100.
16 4,000 - 4,999.99	90
17 5,000 - 5,999.99	80
18 6,000 - 6,999.99	60
19 7,000 - 7,999.99	40
20 8,000 - 8,999.99	30
21 9,000 -15,000.00	25

22 Sec. 7. NEW SECTION. ADMINISTRATION. The director
23 of revenue shall make available suitable forms with
24 instructions for claimants or provide on regular
25 individual income tax returns for the filing of a
26 claim under this division.

27 Sec. 8. NEW SECTION. AUDIT OF CLAIM. If on the
28 audit of any claim for credit under this division,
29 the director determines the amount of the claim to
30 have been incorrectly calculated or that the claim
31 is not allowable, the director shall recalculate the
32 claim and notify the claimant of the recalculation
33 or denial and the reasons for it. The director shall
34 not adjust any claim after the period provided in
35 section four hundred twenty-two point twenty-five
36 (422.25) of the Code. If the claim for credit has
37 resulted in a payment to the claimant, the amount
38 so paid may be recovered in the same manner that
39 income taxes are assessed and collected under sections
40 four hundred twenty-two point twenty-five (422.25),
41 four hundred twenty-two point twenty-six (422.26)
42 and four hundred twenty-two point thirty (422.30)
43 of the Code. The recalculation of the claim is final
44 unless appealed as provided in section eleven (11)
45 of this Act. The provisions of section four hundred
46 twenty-two point seventy (422.70) of the Code are
47 applicable with respect to this division.

48 Sec. 9. NEW SECTION. FALSE CLAIM--PENALTY. A
49 person making a false claim for the purpose of
50 obtaining the credit provided for in this division

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1 or who knowingly receives a payment under this division
2 without being legally entitled to it is guilty of
3 a simple misdemeanor. The claim for credit shall
4 be disallowed in full and if the claim for credit
5 has resulted in a payment to the claimant, the amount
6 so paid may be recovered by assessment in the manner
7 that income taxes are assessed pursuant to sections
8 four hundred twenty-two point twenty-six (422.26)
9 and four hundred twenty-two point thirty (422.30)
10 of the Code. The director of revenue shall send a
11 notice of disallowance of the claim.

12 Sec. 10. NEW SECTION. NOTICES. Section four
13 hundred twenty-two point twenty-five (422.25),
14 subsection one (1) of the Code applies to all notices
15 under this division.

16 Sec. 11. NEW SECTION. APPEALS. A person
17 aggravated by an act or decision of the director of
18 revenue or the department of revenue under this
19 division has the same rights of appeal and review
20 as provided in sections four hundred twenty-one point
21 one (421.1) and four hundred twenty-two point twenty-
22 nine (422.29) of the Code and the rules of the
23 department of revenue.

24 Sec. 12. NEW SECTION. DISALLOWANCE OF CERTAIN
25 CLAIMS. A claim for credit shall be disallowed if
26 the department finds that the claimant is renting
27 his or her homestead primarily for the purpose of
28 receiving benefits under this division.

29 Sec. 13. NEW SECTION. RULES. The director of
30 revenue shall adopt rules in accordance with chapter
31 seventeen A (17A) of the Code for the interpretation
32 and proper administration of this division, including
33 rules to prevent and disallow duplication of benefits
34 and to prevent an unreasonable hardship or advantage
35 to any person.

36 Sec. 14. Section four hundred twenty-two point
37 twelve (422.12), unnumbered paragraph one (1), Code
38 1979, as the section is amended by Acts of the Sixty-
39 eighth General Assembly, 1979 Session, chapter ninety-
40 three (93), section six (6), is amended to read as
41 follows:

42 There shall be deducted from but not to exceed
43 the tax, except as provided in section fifteen (15)
44 of this Act, after the same shall have been computed
45 as provided in this division, the following:

46 Sec. 15. Section four hundred twenty-two point
47 twelve (422.12), Code 1979, as the section is amended
48 by Acts of the Sixty-eighth General Assembly, 1979
49 Session, chapter ninety-three (93), section six (6),
50 is amended by adding the following new subsection:

1 NEW SUBSECTION. The renter's credit provided for
2 under the provisions of sections two (2) through
3 thirteen (13) of this Act. This credit shall be
4 deducted after the deduction of the credits in
5 subsections one (1) and two (2) of this section.
6 If the deduction of this credit exceeds the tax
7 liability, the excess shall be paid to the individual
8 in the same manner as individual income tax refunds
9 are paid under this chapter."

10 2. Page 10 by inserting after line 12 the follow-
11 ing:

12 "Sec. 23. Section four hundred forty-two point
13 fifteen (442.15), unnumbered paragraph two (2), Code
14 1979, as the section is amended by Acts of the Sixty-
15 eighth General Assembly, 1979 Session, chapter one
16 hundred six (106), section thirteen (13), is amended
17 to read as follows:

18 The school district income surtax shall be imposed
19 on the state individual income tax for the calendar
20 year during which the school's budget year begins,
21 or for a taxpayer's fiscal year ending during the
22 second half of that calendar year or the first half
23 of the succeeding calendar year, and shall be imposed
24 on all individuals residing in the school district
25 on the last day of the applicable tax year. As used
26 in this section, "state individual income tax" means
27 the tax computed under section 422.5, less the
28 deductions allowed in subsections one (1) and two
29 (2) of section 422.12.

30 Sec. 24. Section four hundred forty-two point
31 eighteen (442.18), unnumbered paragraphs one (1) and
32 two (2), Code 1979, are amended to read as follows:

33 The director of revenue shall deposit all moneys
34 received or computed, whichever amount is greater,
35 as school district income surtax to the credit of
36 each district from which the moneys are received or
37 computed, in a "school district income surtax fund"
38 which is established in the office of the treasurer
39 of state.

40 Effective July 1, 1980, the director of revenue
41 shall deposit all school district income surtax moneys
42 received or computed on or before November ± first
43 of the year following the close of the school budget
44 year for which the surtax is imposed to the credit
45 of each district from which the moneys are received
46 or computed in the school district income surtax fund.
47 All school district surtax moneys received, computed
48 or refunded after November ± first of the year
49 following the close of the school budget year for
50 which the surtax is imposed shall be deposited in

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1 or withdrawn from the general fund of the state and
2 shall be considered part of the cost of administering
3 the school district surtax.

4 Sec. 25. Section four hundred forty-two point
5 twenty-six (442.26), unnumbered paragraph one (1),
6 Code 1979, as the section is amended by Acts of the
7 Sixty-eighth General Assembly, 1979 Session, chapter
8 one hundred six (106), section fifteen (15), is amended
9 to read as follows:

10 442.26 APPROPRIATIONS. There is hereby
11 appropriated each year from the general fund of the
12 state an amount necessary to pay the state school
13 foundation aid and an amount equal to the difference
14 between the amount of the school district income
15 surtax as computed and the amount actually received,
16 if the amount computed is greater, for each school
17 district in the state which has imposed a school
18 district income surtax."

19 3. Page 10, by inserting after line 29 the follow-
20 ing:

21 "Sec. _____. Sections one (1) through fifteen (15)
22 and twenty-three (23) through twenty-five (25) of
23 this Act are retroactive to January 1, 1980 for tax
24 years beginning on or after January 1, 1980 and to
25 this extent are retroactive."

26 4. Title page, line 7, by inserting after the
27 word "and" the words "by providing a renter's credit
28 and".

29 5. Renumbering and changing internal references
30 as required by this amendment.

BY CONNOLLY of Dubuque
BRANDT of Black Hawk
ANDERSON of Jasper
ARNOULD of Scott
DIELEMAN of Marion
MILLER of Buchanan
HALL of Linn
SPEAR of Lee
COCHRAN of Webster
HULLINGER of Decatur
CONNORS of Polk

PAVICH of Pottawattamie
WELLS of Linn
BINNEBOESE of Plymouth
HUSAK of Tama
HORN of Linn
LLOYD-JONES of Johnson
BINA of Scott
HINKHOUSE of Cedar
GROTH of Buena Vista
BRUNER of Story

H-5015 FILED
JANUARY 17, 1980
NOT GERMANE (p. 100)
MOTION TO SUSPEND
RULES FAILED

1 Amend House File 2072 as follows:

2 1. Page 2, by inserting after line 22 the following
3 new section:

4 "Sec. _____. Section four hundred forty-one point
5 twenty-one (441.21), subsection three (3), unnumbered
6 paragraph one (1), Code 1979, is amended to read as
7 follows:

8 "Actual value", "taxable value", or "assessed
9 value" as used in other sections of the Code in
10 relation to assessment of property for taxation shall
11 mean the valuations as determined by this section;
12 however, other provisions of the Code providing special
13 methods or formulas for assessing or valuing specified
14 property shall remain in effect, but this section
15 shall be applicable to the extent consistent with
16 such provisions. The assessor and department of
17 revenue shall disclose at the written request of the
18 taxpayer all information in any formula or method
19 used to determine the actual value of his property."

20 2. Page 9, by inserting after line 6 the following
21 new section:

22 "Sec. _____. Section four hundred forty-one point
23 twenty-one (441.21), subsection ten (10), Code 1979,
24 is amended to read as follows:

25 10. For the purpose of computing the debt
26 limitations for municipalities, political subdivisions
27 and school districts, the term "actual value" means
28 the "actual value" as determined by subsections one
29 (1) through three (3) of this section without
30 application of any percentage reduction and entered
31 opposite each item, and as listed on the tax list
32 as provided in section 443.2 as "actual value".

33 Whenever any board of review or other tribunal
34 changes the assessed value of property, all applicable
35 records of assessment shall be adjusted to reflect
36 such change in both assessed value and actual value
37 of such property."

38 3. Page 10, by inserting after line 12 the
39 following new sections:

40 "Sec. _____. Section four hundred forty-one point
41 twenty-one (441.21), Code 1979, as amended by Acts
42 of the Sixty-eighth General Assembly, 1979 Session,
43 chapter twenty-five (25), sections three (3), Four
44 (4), five (5), and six (6), is amended by adding the
45 following new subsection:

46 NEW SUBSECTION. The reduction of actual value
47 provided in this section where applicable to property
48 within an urban renewal area, shall be applied to
49 reduce the initial assessed value under section four
50 hundred three point nineteen (403.19), subsection

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Page Two

1 one (1) of the Code, for the purpose of the division
2 of revenue under that section.

3 Sec. _____. Section four hundred forty-three point
4 two (443.2), Code 1979, is amended by adding the
5 following new unnumbered paragraph:

6 NEW UNNUMBERED PARAGRAPH. In any case where, in
7 transcribing the assessments, a county auditor has
8 failed or fails to enter the actual value opposite
9 each item of taxable property on the tax list, then
10 the aggregate actual value, as well as the aggregate
11 taxable value, of all the taxable property within
12 the county and each political subdivision shall be
13 transcribed from the books and records of assessment
14 onto the tax list in order that the actual value of
15 the taxable property within the county or a political
16 subdivision may be ascertained and shown by the tax
17 list for the purpose of computing the debt-incurring
18 capacity of the county or political subdivision.

19 As used in this section and section four hundred
20 forty-three point five (443.5) of the Code, "actual
21 value" is the value determined under section four
22 hundred forty-one point twenty-one (441.21),
23 subsections one (1) through three (3) of the Code,
24 prior to the reduction to a percentage of actual value
25 as otherwise provided in section four hundred forty-
26 one point twenty-one (441.21) of the Code.

27 Sec. _____. Section four hundred forty-three point
28 five (443.5), Code 1979, is amended to read as follows:

29 443.5 AGGREGATE VALUATIONS CERTIFIED. At the
30 time of delivering the list to the treasurer, the
31 auditor shall furnish to the director of revenue a
32 certified statement showing separately the aggregate
33 actual and taxable valuations of the real and personal
34 property in the county, and also the aggregate amount
35 of each separate tax as shown by the tax list."

36 4. Renumber sections and correct internal
37 references as are necessary in accordance with this
38 amendment.

H-5020 FILED *Adopted 1/17 (p.105)*
JANUARY 17, 1980
ADOPTED

BY NORLAND of Worth
WEST of Marshall

1 Amend House File 2072 as follows:
2 1. Page 2, by inserting after line 22 the following
3 new section:
4 "Sec. _____. Section four hundred forty-one point
5 twenty-one (441.21), subsection five (5), Code 1979,
6 as amended by Acts of the Sixty-eighth General
7 Assembly, 1979 Session, chapter twenty-five (25),
8 section five (5), is amended to read as follows:
9 5. For valuations established as of January 1,
10 1979, the percentage of actual value at which
11 agricultural and residential property shall be assessed
12 shall be the quotient of the dividend and divisor
13 as defined in this section. The dividend for each
14 class of property shall be the dividend as determined
15 for each class of property for valuations established
16 as of January 1, 1978, adjusted by the product obtained
17 by multiplying the percentage determined for that
18 year by the amount of any additions or deletions to
19 actual value, excluding those resulting from the
20 revaluation of existing properties, as reported by
21 the assessors on the abstracts of assessment for 1978,
22 plus six percent of the amount so determined. However,
23 if the difference between the dividend so determined
24 for either class of property and the dividend for
25 that class of property for valuations established
26 as of January 1, 1978, adjusted by the product obtained
27 by multiplying the percentage determined for that
28 year by the amount of any additions or deletions to
29 actual value, excluding those resulting from the
30 revaluation of existing properties, as reported by
31 the assessors on the abstracts of assessment for 1978,
32 is less than six percent, the 1979 dividend for the
33 other class of property shall be the dividend as
34 determined for that class of property for valuations
35 established as of January 1, 1978, adjusted by the
36 product obtained by multiplying the percentage
37 determined for that year by the amount of any additions
38 or deletions to actual value, excluding those resulting
39 from the revaluation of existing properties, as
40 reported by the assessors on the abstracts of
41 assessment for 1978, plus a percentage of the amount
42 so determined which is equal to the percentage by
43 which the dividend as determined for the other class
44 of property for valuations established as of January
45 1, 1978, adjusted by the product obtained by
46 multiplying the percentage determined for that year
47 by the amount of any additions or deletions to actual
48 value, excluding those resulting from the revaluation
49 of existing properties, as reported by the assessors
50 on the abstracts of assessment for 1978, is increased

1 in arriving at the 1979 dividend for the other class
2 of property. The divisor for each class of property
3 shall be the total actual value of all such property
4 in the state in the preceding year, as reported by
5 the assessors on the abstracts of assessment submitted
6 for 1978, plus the amount of value added to said total
7 actual value by the revaluation of existing properties
8 in 1979 as equalized by the director of revenue
9 pursuant to section 441.49. The director shall utilize
10 information reported on abstracts of assessment
11 submitted pursuant to section 441.45 in determining
12 such percentage. For valuations established as of
13 January 1, 1980, and each year thereafter, the
14 percentage of actual value as equalized by the director
15 of revenue as provided in section 441.49 at which
16 agricultural and residential property shall be assessed
17 shall be calculated in accordance with the methods
18 provided herein including the limitation of increases
19 in agricultural and residential assessed values to
20 the percentage increase of the other class of property
21 if the other class increases less than the allowable
22 limit adjusted to include the applicable and current
23 values as equalized by the director of revenue; except
24 ~~that any references to six percent in this subsection~~
25 ~~shall be four percent."~~

26 2. Page 4, line 17, by striking the word "four"
27 and inserting in lieu thereof the word "six".

28 3. Page 5, lines 21 and 22, by striking the words
29 ", except that any references to six percent in this
30 subsection shall be four percent".

31 4. Page 6, by inserting after line 24 the following
32 new section:

33 "Sec. ____ . Section four hundred forty-one point
34 twenty-one (441.21), subsection eight (8), Code 1979,
35 as amended by Acts of the Sixty-eighth General
36 Assembly, 1979 Session, chapter twenty-five (25),
37 section five (5), is amended to read as follows:

38 8. For valuations established as of January 1,
39 1979, against which taxes will be levied for the
40 fiscal year beginning in the 1979 calendar year by
41 any special charter city that levies and collects
42 its own taxes, the percentage of actual value at which
43 agricultural and residential property shall be assessed
44 shall be the quotient of the dividend and divisor
45 as defined in this section. The dividend for each
46 class of property shall be the valuation for each
47 class of property for valuations established as of
48 January 1, 1978, and upon which any special charter
49 city levied its taxes in 1978, adjusted by the product
50 obtained by multiplying the percentage determined

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1 for that year by the amount of any additions or
2 deletions to actual value, excluding those resulting
3 from the revaluation of existing properties, as
4 reported by the assessor on the abstract of assessment
5 for 1978, plus six percent of the amount so determined.
6 The divisor for each class of property shall be the
7 total actual value of all such property in the city
8 in the preceding year, as reported by the assessor
9 on the abstract of assessment submitted for 1978,
10 plus the amount of value added to said total actual
11 value by the revaluation of existing properties in
12 1979. However, if the estimated statewide growth
13 in assessed valuation is less than six percent for
14 either class of property for 1979, the director shall
15 estimate the percentages by which the statewide
16 valuation of residential and agricultural property
17 will increase in 1979. The lower percentage shall
18 be used in lieu of six percent for both classes of
19 property in calculating the percentages at which
20 agricultural and residential property shall be
21 assessed. The percentage at which agricultural and
22 residential property shall be assessed will be
23 certified by the director on or before May 31, 1979
24 to the appropriate city official in special charter
25 cities that levy and collect their own taxes. The
26 percentage so certified shall be applicable only to
27 those valuations against which the special charter
28 city levies its own tax. For valuations established
29 as of January 1, 1980, and each year thereafter for
30 any special charter city that levies and collects
31 its own taxes, the percentage of actual value as
32 equalized by the director of revenue as provided in
33 section 441.49 at which agricultural and residential
34 property shall be assessed shall be calculated in
35 accordance with the methods provided herein adjusted
36 to include the applicable and current values as
37 equalized by the director of revenue, ~~except that~~
38 ~~any references to six percent in this subsection shall~~
39 ~~be four percent.~~ The assessor shall provide valuation
40 information to the director of revenue sufficient
41 for the computation of the assessment percentage by
42 May fifteenth of each year on forms prescribed by
43 the director of revenue."
44 5. Page 7, line 8, by striking the word "four"
45 and inserting in lieu thereof the word "six".
46 6. Page 9, lines 1, 2, and 3, by striking the
47 words ", except that any references to six percent
48 in this subsection shall be four percent".
49 7. Amend the title, line 4, by striking the word
50 "agricultural structures" and inserting in lieu thereof

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PAGE TWENTY ONE

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1 the words "residential property, agricultural land
2 and structures".
3 8. Renumber sections and correct internal
4 references as are necessary in accordance with this
5 amendment.

H-5021 FILED
JANUARY 17, 1980
LOST AS AMENDED (p. 109)

BY KREWSON of Polk
WALTER of Pottawattamie
BINA of Scott
HIBBS of Johnson

HOUSE FILE 2072

H-5017

1 Amend House File 2072 as follows:
2 1. Page 10, by inserting after line 29 the
3 following new section:
4 "Sec. _____. If this Act delays the preparation
5 of the tax lists and the collection of the taxes and
6 the delay requires a political subdivision of this
7 state to issue warrants, the state shall reimburse
8 the political subdivision for one-half of the amount
9 of interest paid on warrants issued. However, before
10 the provisions of this section shall apply, the state
11 comptroller shall determine that any warrants were
12 required to be issued and that the warrants would
13 not have been issued but for the delays in the
14 collection of taxes following the implementation of
15 this Act. There is appropriated to the state
16 comptroller from the general fund of the state an
17 amount sufficient to carry out the provisions of this
18 section."
19 2. Amend the title page, line 7, by inserting
20 after the word "making" the words "an appropriation
21 and making".

H-5017 FILED
JANUARY 17, 1980
LOST (p. 116)

BY NORLAND of Worth

H-5022

- 1 Amend House File 2072 as follows:
2 1. Page 1, line 7, by striking the word "fifty".
3 2. Page 1, line 11, by striking the word "fifty".
4 3. Page 2, line 2, by striking the word "fifty".
5 4. Page 2, line 6, by striking the word "fifty".
6 5. Page 3, line 27, by striking the word "ten"
7 and inserting in lieu thereof the word "eight".
8 6. Page 5, line 4, by striking the word "ten"
9 and inserting in lieu thereof the word "six".
10 7. Page 5, line 30, by inserting after the word
11 "herein" the words ", except that any references to
12 eight percent in this subsection shall be six percent".
13 8. Page 7, line 27, by striking the word "ten"
14 and inserting in lieu thereof the word "eight".
15 9. Page 8, line 28, by striking the word "and".
16 10. Page 8, by striking lines 29 through 32.
17 11. Page 8, line 33, by striking the words and
18 numerals "hundred thirty-eight (438) of the Code".
19 12. Page 9, line 6, by inserting after the period
20 the words "For valuations established as of January
21 1, 1981, and each year thereafter, in a special charter
22 city which levies and collects its own taxes, the
23 percentage of actual value at which property valued
24 by the department of revenue pursuant to chapters
25 four hundred twenty-eight (428), four hundred thirty-
26 three (433), four hundred thirty-six (436), four
27 hundred thirty-seven (437), and four hundred thirty-
28 eight (438) of the Code shall be assessed shall be
29 calculated in accordance with the methods provided
30 herein, except that any references to eight percent
31 in this subsection shall be six percent."

32 13. Page 10, by inserting after line 29 the
33 following new section:

34 "Sec. ____ . Acts of the Sixty-eighth General
35 Assembly, 1979 Session, chapter four (4), sections
36 four (4) and five (5), are amended to read as follows:

37 SEC. 4. There is appropriated from the general
38 fund of the state to the county government assistance
39 fund, established in section three hundred thirty-
40 four A point one (334A.1) of the Code, for each fiscal
41 year of the fiscal biennium beginning July 1, 1979
42 and ending June 30, 1981, the following amounts, or
43 so much thereof as may be necessary, to be used for
44 state assistance to counties, with distribution in
45 accordance with section three hundred thirty-four
46 A point two (334A.2) of the Code.

47	1979-1980	1980-1981
48	<u>Fiscal Year</u>	<u>Fiscal Year</u>
49	\$ 5,000,000	\$ 5,000,000 5,350,000

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1 SEC. 5. There is appropriated from the general
2 fund of the state to the municipal assistance fund,
3 established in section four hundred five point one
4 (405.1) of the Code, for each fiscal year of the
5 fiscal biennium beginning July 1, 1979 and ending
6 June 30, 1981, the following amounts, or so much
7 thereof as may be necessary, to be used for state
8 assistance to municipalities, with distribution in
9 accordance with section four hundred five point one
10 (405.1) of the Code.

11	1979-1980	1980-1981
12	<u>Fiscal Year</u>	<u>Fiscal Year</u>
13	\$13,000,000	\$13,000,000
14		<u>14,650,000"</u>

15 14. Amend the title, line 7, by inserting after
16 the word "purposes" the words ", appropriating moneys
17 to the county assistance and municipal assistance
18 funds,".

H-5022 FILED JANUARY 17, 1980
OUT OF ORDER *with adoption of*
5012 (p. 102)

BY HUSAK of Tama

HOUSE FILE 2072

H-5023

1 Amend amendment H-5021 to House File 2072 as
2 follows:
3 1. Page 3, line 14, by inserting after the figure
4 "1979" the words "and succeeding years".
5 2. Page 3, line 17, by striking the figure "1979"
6 and inserting in lieu thereof the words "those years".

H-5023 FILED JANUARY 17, 1980
ADOPTED *(p. 109)*

BY WALTER of Pottawattamie
KREWSON of Polk

1 Amend House file 2072 as follows:

2 1. Page 1, by inserting before line 1 the following
3 new section:

4 "Section 1. Section three hundred thirty-two point
5 three (332.3), subsection twenty-three (23), Code
6 1979, is amended to read as follows:

7 23. To purchase, lease, equip, maintain and operate
8 an ambulance or ambulances to provide necessary and
9 sufficient ambulance service or to contract for such
10 vehicles, equipment, maintenance or service. If a
11 county is at its levy limit authorized under section
12 four hundred forty-four point nine (444.9), subsection
13 two (2), of the Code, the county may levy an amount,
14 not to exceed thirteen and one-half cents per thousand
15 dollars of assessed valuation to provide the ambulance
16 services.

17 The board may adopt a schedule of fees to be charged
18 the users of such service, and such fee schedule may
19 include considerations concerning the cost of the
20 service and the user's ability to pay.

21 If a county provides ambulance service, it shall
22 first ascertain what cities in the county also provide
23 ambulance service. The county shall then co-ordinate
24 its services with that provided by any city in order
25 to eliminate duplication and to make the ambulance
26 service provided by the county and the cities as
27 economical as possible.

28 Any third party payor making payment for ambulance
29 service shall make such payment either jointly to
30 the person on whose behalf the payment is made and
31 to the person or organization providing such ambulance
32 service, or directly to the person or organization
33 providing such ambulance service."

34 2. Renumber sections and correct internal
35 references as are necessary in accordance with this
36 amendment.

H-5026 FILED JANUARY 17, 1980
RULED NOT GERMANE MOTION TO
SUSPEND THE RULES LOST (g. 120)

BY GETTINGS of Wapello

1 Amend House File 2072 as follows:

2 1. Page 10, by inserting after line 12, the
3 following new section:

4 Sec. _____. Section four hundred forty-four point
5 seven (444.7), Code 1979, is amended to read as
6 follows:

7 444.7 EXCESSIVE TAX PROHIBITED.

8 1. It is hereby-made a simple misdemeanor for
9 the board of supervisors to authorize, or the county
10 auditor to carry upon the tax lists for any year,
11 an amount of tax for any public purpose in excess
12 of the amount certified or authorized as provided
13 by law. The state comptroller shall prescribe and
14 furnish the county auditors forms and instructions
15 to aid them in determining the legality and authorized
16 amount of tax levies. In the case of an excessive
17 levy, ~~it shall be the duty of~~ the county auditor ~~to~~
18 shall reduce it to the maximum amount authorized by
19 law, and in any event not in excess of the amount
20 certified; and in case of an illegal levy the county
21 auditor shall not enter or carry any tax on the tax
22 lists for such levy.

23 2. The maximum amount of real property tax on
24 a parcel of real property that shall be raised annually
25 by the consolidated levy shall not exceed one percent
26 of the actual value of that real property. If the
27 consolidated levy would raise an amount of real
28 property tax in excess of one percent of the actual
29 value of a parcel of real property, the county auditor
30 shall lower the consolidated levy by an amount so
31 that the property tax raised equals one percent of
32 the actual value of the real property. Each district
33 within the county shall receive its proportionate
34 amount of the real property tax raised based upon
35 the ratio of its levy to the consolidated levy before
36 adjustment. For purposes of this subsection, the
37 actual value of the real property is the actual value
38 used in determining the assessed value upon which
39 the consolidated levy is to be imposed. In determining
40 if the consolidated levy would raise an amount of
41 real property tax in excess of one percent of the
42 actual value of a parcel of real property in a county
43 which contains a special charter city which levies
44 and collects its own taxes, the rate of levy of that
45 special charter city shall be added to the consolidated
46 levy. If such a county must reduce its consolidated
47 levy, the special charter city shall also reduce its
48 levy by the same percent.

49 3. The limitation provided in subsection two (2)
50 of this section shall not include the amount of real

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1 property taxes raised by a special assessment or other
2 levy to pay the principal and interest on indebtedness
3 approved by the voters.

BY TYRRELL of Iowa
JOHNSON of Howard
LIND of Black Hawk
LURA of Marshall

H-5025 FILED
JANUARY 17, 1980
NOT GERMANE (p. 116)

1 Amend House File 2072 as follows:

2 1. Page 2, by inserting after line 22 the
3 following:

4 "Sec. _____. Section four hundred twenty-seven point
5 one (427.1), Code 1979, is amended by adding the
6 following new subsection:

7 NEW SUBSECTION. Real property assessed as
8 commercial property for property tax purposes which
9 is primarily used in the operation of a business shall
10 be entitled to a property tax exemption upon compliance
11 with this subsection of fifteen thousand dollars for
12 the 1979 assessment year and an amount to be determined
13 by the director of revenue under this subsection
14 for succeeding assessment years.

15 Application for this exemption shall be filed with
16 the assessing authority not later than April 30, 1980,
17 for the 1979 assessment year and for succeeding
18 assessment years not later than the first of February
19 of the year for which the exemption is requested,
20 on forms prescribed by the department of revenue.
21 The application shall describe and locate the specific
22 commercial property to be exempted and list other
23 joint owners, partners or shareholders as required
24 by this subsection and contain a signed affidavit
25 stating that the property is primarily used in the
26 operation of a business and that the joint owners,
27 partners or shareholders listed have not been listed
28 on another application for an exemption under this
29 subsection for the same year. By March first of each
30 year, the assessing authority shall certify to the
31 director of revenue the number of eligible
32 applications.

33 A person is entitled to receive only one exemption
34 per year under this subsection. An exemption granted
35 under this subsection for property jointly owned shall
36 be deemed granted to all joint owners. An exemption
37 granted under this subsection for property owned by
38 a partnership shall be deemed granted to the
39 partnership and all partners. An exemption granted
40 under this subsection for property owned by a
41 corporation with fifteen or fewer shareholders shall
42 be deemed granted to the corporation and all
43 shareholders.

44 The director of revenue shall determine the amount
45 of the exemption for the 1980 and subsequent assessment
46 years as provided in this paragraph. The amount of
47 the exemption for an assessment year is equal to the
48 quotient of the dividend and divisor as defined in
49 this paragraph. The divisor for an assessment year
50 is the number of eligible applications filed for the

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1 assessment year. The dividend for an assessment year
2 is the total actual value of commercial property,
3 excluding properties referred to in section four
4 hundred twenty-seven A point one (427A.1), subsection
5 six (6), of the Code as finally computed for the
6 assessment year minus a percentage of that actual
7 value which percentage for the assessment year shall
8 be computed by the director of revenue in the same
9 manner as the percentage of actual value at which
10 industrial property is assessed is computed under
11 section three (3) of this Act.

12 The amount of the exemption computed under the
13 previous paragraph shall be reported to the assessing
14 authorities by April first of the assessment year
15 for which it applies. The director of revenue shall
16 inform the assessing authorities of the percentage
17 of the actual value of commercial property which was
18 used in computing the dividend in the previous
19 paragraph.

20 The assessing authority shall grant the amount
21 of the exemption to parcels of property for which
22 an application is filed, however the amount of the
23 exemption for a parcel of property shall not exceed
24 the difference of the actual value of the parcel of
25 property minus a percentage of that actual value which
26 percentage was received from the director of revenue
27 as required under the previous paragraph."

28 2. Page 2, line 30, by striking the words
29 "commercial property and".

30 3. Page 2, line 33, by striking the word "each"
31 and inserting in lieu thereof the word "the".

32 4. Page 2, line 34, by striking the word "each"
33 and inserting in lieu thereof the word "the".

34 5. Page 3, line 4, by striking the word "each"
35 and inserting in lieu thereof the word "the".

36 6. Page 3, line 5, by striking the word "each"
37 and inserting in lieu thereof the word "the".

38 7. Page 3, line 7, by striking the word "each"
39 and inserting in lieu thereof the word "the".

40 8. Page 3, line 8, by striking the word "each"
41 and inserting in lieu thereof the word "the".

42 9. Page 4, line 1, by striking the words
43 "commercial property and".

44 10. Page 4, line 4, by striking the word "each"
45 and inserting in lieu thereof the word "the".

46 11. Page 4, line 5, by striking the word "each"
47 and inserting in lieu thereof the word "the".

48 12. Page 4, line 10, by striking the word "each"
49 and inserting in lieu thereof the word "the".

50 13. Page 4, line 11, by striking the word "each"

H-5028
Page Three

- 1 and inserting in lieu thereof the word "the".
- 2 14. Page 4, line 18, by striking the word "each"
- 3 and inserting in lieu thereof the word "the".
- 4 15. Page 5, line 17, by striking the words
- 5 "commercial property and".
- 6 16. Page 6, line 1, by striking the words
- 7 "commercial property,".
- 8 17. Page 6, line 6, by striking the word "lowest"
- 9 and inserting in lieu thereof the word "lower".
- 10 18. Page 6, line 35, by striking the words
- 11 "commercial and".
- 12 19. Page 7, line 5, by striking the word "each"
- 13 wherever it appears and inserting in lieu thereof
- 14 the word "the".
- 15 20. Page 7, line 9, by striking the word "each"
- 16 and inserting in lieu thereof the word "the".
- 17 21. Page 8, lines 4 and 5, by striking the words
- 18 "commercial property,".
- 19 22. Page 8, line 9, by striking the word "lowest"
- 20 and inserting in lieu thereof the word "lower".
- 21 23. Page 8, line 10, by striking the words
- 22 "commercial property,".
- 23 24. Page 8, line 26, by striking the words
- 24 "commercial property and".
- 25 25. Page 9, line 16, by striking the words
- 26 "commercial property,".
- 27 26. Page 9, line 24, by striking the words
- 28 "commercial property,".
- 29 27. Page 10, lines 4 and 5, by striking the words
- 30 "commercial property,".
- 31 28. Page 10, line 18, by striking the words
- 32 "commercial property,".
- 33 29. Page 11, line 4, by striking the words
- 34 "commercial property,".
- 35 30. Amend title page, line 5, by striking the
- 36 words "commercial property,".
- 37 31. Amend title page, line 7, by inserting after
- 38 the word "purposes" the words ", by providing an
- 39 exemption for commercial property".

H-5028 FILED JANUARY 17, 1980
RULES NOT GERMANE MOTION TO
SUSPEND THE RULES LOST (p. 124)

BY RAPP of Black Hawk
WOODS of Polk
CHIODO of Polk
BRUNER of Story

HOUSE FILE 2072

H5029

- 1 Amend amendment H-5028 to House File 2072
- 2 as follows:
- 3 1. Page 2, by striking lines 20 through 27.

H-5029 FILED JANUARY 17, 1980
ADOPTED BY UNANIMOUS CONSENT (p. 124)

BY RAPP of Black Hawk

FISCAL NOTE
HOUSE FILE 2071

Requested by Representative Conlon
December 12, 1979

In compliance with a written request, there is hereby submitted a Fiscal Note for House File 2071 pursuant to Joint Rule 16.

LSB 3359H makes provision for permanent indexing of the individual income tax brackets and of certain civil service annuity income. The bill continues the phase in of indexing initiated in calendar 1979 by using three-fourths of the annual change in the consumer price index during calendar 1980 applied to 1981 tax liability and the total change in the index for subsequent years, except that the amount of the percentage change used shall not exceed the greater of zero or the difference between the percentage and 3%. Indexation does not take place in any tax year when the unobligated General Fund ending balance on June 30 of the same calendar year is less than \$40,000,000.

The proposed changes are expected to have the following impacts:

- A. 1980 tax year: If the unobligated general fund balance on June 30, 1980, is greater than \$40,000,000, then individual income tax liability would be reduced by approximately \$28,000,000. The major impact on general fund receipts from the reduction in liability would occur in fiscal 1981.
- B. 1981 tax year: The effect of indexing in 1980 is carried forward into tax year 1981 due to the changes in tax brackets. The reduction in 1981 income tax liability due to indexation in 1980 is estimated to be \$35,000,000. Assuming the general fund balance on June 30, 1981, to be at least \$40,000,000 and a 10% increase in the consumer price index during 1980, the additional impact on 1981 tax liability is estimated to be between \$35,000,000 and \$45,000,000. Most of the general fund receipt impact of 1981 reduced liability would fall in fiscal 1982.

FILED JANUARY 15, 1980

GERRY D. RANKIN
Legislative Fiscal Bureau

*Amend per 50137
Do Pass 1/24 (p. 195)
Referred Appropriations 1/1
Do Pass 2/1 (p. 260)*

HOUSE FILE 2072

By COMMITTEE ON WAYS
AND MEANS

(As Amended and Passed by the House)

Passed House, Date 2-7-80 (p. 433) Passed Senate, Date 2-4-80 (p. 289)

Vote: Ayes 58 Nays 37 Vote: Ayes 28 Nays 11

Repassed House per Senate amendments S175 2-7-80 (p. 433) 52-37
Approved February 14, 1980
Returned for committee 2/6, Reconsidered Repassed Senate 2-6-80 (p. 333) 38-8

A BILL FOR

1 An Act relating to property taxation by providing additional
2 property tax credits for property owners by increasing the
3 homestead tax credit and the agricultural land tax credit,
4 by providing for the valuation of agricultural structures,
5 commercial property, industrial property, and property
6 valued by the department of revenue at a percentage of its
7 actual value for tax purposes, by altering the qualification
8 for a county to levy a property tax because of a federal
9 ordnance plant and making the Act retroactive.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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House Amendments _____
House Deletions *

1 Section 1. Section four hundred twenty-five point one
2 (425.1), subsections two (2), four (4), and seven (7), Code
3 1979, are amended to read as follows:

4 2. The homestead credit fund shall be apportioned each
5 year so as to give a credit against the tax on each eligible
6 homestead in the state in an amount equal to the actual levy
7 on the first four thousand five eight hundred fifty dollars
8 of actual value for each homestead.

9 4. Annually the department of revenue shall estimate the
10 credit not to exceed the actual levy on the first four thousand
11 five eight hundred fifty dollars of actual value of each
12 eligible homestead, and shall certify to the county auditor
13 of each county ~~such~~ the credit and ~~the~~ its amount in dollars
14 ~~thereof~~. Each county auditor shall then enter ~~such~~ the credit
15 against the tax levied on each eligible homestead in each
16 county payable during the ensuing year, designating on the
17 tax lists ~~such~~ the credit as being from the homestead credit
18 fund, and credit shall then be given to the several taxing
19 districts in which ~~such~~ eligible homesteads are located in
20 an amount equal to the credits allowed on the taxes of ~~such~~
21 the homesteads. The amount of ~~said~~ credits shall be
22 apportioned by each county treasurer to the several taxing
23 districts as provided by law, in the same manner as though
24 the amount of the credit had been paid by the owners of ~~said~~
25 the homesteads; ~~provided, however, that.~~ However, the several
26 taxing districts shall not ~~be permitted to~~ draw the funds
27 so credited until after the semiannual allocations have been
28 received by the county treasurer, as provided in this chapter.
29 Each county treasurer shall show on each tax receipt the
30 amount of credit received from the homestead credit fund.

31 7. Where any special charter city levies and collects
32 its own taxes, the amount of the homestead tax credit allowed
33 on eligible homesteads within the city shall be computed as
34 follows:

35 a. In an amount equal to the tax levy by the special

1 charter city on the first ~~forty-five-hundred~~ four thousand
2 eight hundred fifty dollars of actual value for each eligible
3 homestead.

4 b. In an amount equal to the remainder of the consolidated
5 levy as established by the county auditor on the first ~~forty-~~
6 ~~five-hundred~~ four thousand eight hundred fifty dollars of
7 actual value for each eligible homestead.

8 The homestead tax credit computed under this subsection
9 shall be applicable for each homestead tax credit claimed
10 between January 1 and July 1 of the year in which the valuation
11 being taxed by the city and county respectively was
12 established.

13 Sec. 2. Section four hundred twenty-six point one (426.1),
14 Code 1979, is amended to read as follows:

15 426.1 AGRICULTURAL LAND CREDIT FUND. There is hereby
16 created as a permanent fund in the office of the treasurer
17 of state a fund to be known as the agricultural land credit
18 fund, and for the purpose of establishing and maintaining
19 said fund for each fiscal year there is appropriated thereto
20 from funds in the general fund not otherwise appropriated
21 the sum of ~~forty-two~~ forty-three million five hundred thousand
22 dollars. Any balance in said fund on June 30 shall revert
23 to the general fund.

24 Sec. 3. Section four hundred forty-one point twenty-one
25 (441.21), subsection three (3), unnumbered paragraph one (1),
26 Code 1979, is amended to read as follows:

27 "Actual value", "taxable value", or "assessed value" as
28 used in other sections of the Code in relation to assessment
29 of property for taxation shall mean the valuations as
30 determined by this section; however, other provisions of the
31 Code providing special methods or formulas for assessing or
32 valuing specified property shall remain in effect, but this
33 section shall be applicable to the extent consistent with
34 such provisions. The assessor and department of revenue shall
35 disclose at the written request of the taxpayer all information

1 in any formula or method used to determine the actual value
2 of his property.

3 Sec. 4. Section four hundred forty-one point twenty-one
4 (441.21), Code 1979, as amended by Acts of the Sixty-eighth
5 General Assembly, 1979 Session, chapter twenty-five (25),
6 sections three (3), four (4), five (5), and six (6), is amended
7 by inserting after subsection five (5) the following new
8 subsection:

9 NEW SUBSECTION. For valuations established as of January
10 1, 1979, commercial property and industrial property, excluding
11 properties referred to in section four hundred twenty-seven
12 A point one (427A.1), subsection six (6), of the Code, shall
13 be assessed as a percentage of the actual value of each class
14 of property. The percentage shall be determined for each
15 class of property by the director of revenue for the state
16 in accordance with the provisions of this section. For
17 valuations established as of January 1, 1979, the percentage
18 shall be the quotient of the dividend and divisor as defined
19 in this section. The dividend for each class of property
20 shall be the total actual valuation for each class of property
21 established for 1978, plus six percent of the amount so
22 determined. The divisor for each class of property shall
23 be the valuation for each class of property established for
24 1978, as reported by the assessors on the abstracts of
25 assessment for 1978, plus the amount of value added to the
26 total actual value by the revaluation of existing properties
27 in 1979 as equalized by the director of revenue pursuant to
28 section four hundred forty-one point forty-nine (441.49) of
29 the Code. For valuations established as of January 1, 1979,
30 property valued by the department of revenue pursuant to
31 chapter four hundred twenty-eight (428), four hundred thirty-
32 three (433), four hundred thirty-six (436), four hundred
33 thirty-seven (437), and four hundred thirty-eight (438) of
34 the Code shall be considered as one class of property and
35 shall be assessed as a percentage of its actual value. The

1 percentage shall be determined by the director of revenue
2 in accordance with the provisions of this section. For
3 valuations established as of January 1, 1979, the percentage
4 shall be the quotient of the dividend and divisor as defined
5 in this section. The dividend shall be the total actual
6 valuation established for 1978 by the department of revenue,
7 plus ten percent of the amount so determined. The divisor
8 for property valued by the department of revenue pursuant
9 to chapters four hundred twenty-eight (428), four hundred
10 thirty-three (433), four hundred thirty-six (436), four hundred
11 thirty-seven (437), and four hundred thirty-eight (438) of
12 the Code shall be the valuation established for 1978, plus
13 the amount of value added to the total actual value by the
14 revaluation of the property by the department of revenue as
15 of January 1, 1979. For valuations established as of January
16 1, 1980, commercial property and industrial property, excluding
17 properties referred to in section four hundred twenty-seven
18 A point one (427A.1), subsection six (6), of the Code, shall
19 be assessed at a percentage of the actual value of each class
20 of property. The percentage shall be determined for each
21 class of property by the director of revenue for the state
22 in accordance with the provisions of this section. For
23 valuations established as of January 1, 1980, the percentage
24 shall be the quotient of the dividend and divisor as defined
25 in this section. The dividend for each class of property
26 shall be the dividend as determined for each class of property
27 for valuations established as of January 1, 1979, adjusted
28 by the product obtained by multiplying the percentage
29 determined for that year by the amount of any additions or
30 deletions to actual value, excluding those resulting from
31 the revaluation of existing properties, as reported by the
32 assessors on the abstracts of assessment for 1979, plus four
33 percent of the amount so determined. The divisor for each
34 class of property shall be the total actual value of all such
35 property in 1979, as equalized by the director of revenue

1 pursuant to section four hundred forty-one point forty-nine
2 (441.49) of the Code, plus the amount of value added to the
3 total actual value by the revaluation of existing properties
4 in 1980. The director shall utilize information reported
5 on the abstracts of assessment submitted pursuant to section
6 four hundred forty-one point forty-five (441.45) of the Code
7 in determining such percentage. For valuations established
8 as of January 1, 1980, property valued by the department of
9 revenue pursuant to chapters four hundred twenty-eight (428),
10 four hundred thirty-three (433), four hundred thirty-six
11 (436), four hundred thirty-seven (437), and four hundred
12 thirty-eight (438) of the Code shall be assessed at a
13 percentage of its actual value. The percentage shall be
14 determined by the director of revenue in accordance with the
15 provisions of this section. For valuations established as
16 of January 1, 1980, the percentage shall be the quotient of
17 the dividend and divisor as defined in this section. The
18 dividend shall be the total actual valuation established for
19 1979 by the department of revenue, plus eight percent of the
20 amount so determined. The divisor for property valued by
21 the department of revenue pursuant to chapters four hundred
22 twenty-eight (428), four hundred thirty-three (433), four
23 hundred thirty-six (436), four hundred thirty-seven (437),
24 and four hundred thirty-eight (438) of the Code shall be the
25 valuation established for 1979, plus the amount of value added
26 to the total actual value by the revaluation of the property
27 by the department of revenue as of January 1, 1980. For
28 valuations established as of January 1, 1981, and each year
29 thereafter, the percentage of actual value as equalized by
30 the director of revenue as provided in section four hundred
31 forty-one point forty-nine (441.49) of the Code at which
32 commercial property and industrial property, excluding
33 properties referred to in section four hundred twenty-seven
34 A point one (427A.1), subsection six (6), of the Code, shall
35 be assessed shall be calculated in accordance with the methods

1 provided herein, except that any references to six percent
2 in this subsection shall be four percent. For valuations
3 established as of January 1, 1981, and each year thereafter,
4 the percentage of actual value at which property valued by
5 the department of revenue pursuant to chapters four hundred
6 twenty-eight (428), four hundred thirty-three (433), four
7 hundred thirty-six (436), four hundred thirty-seven (437),
8 and four hundred thirty-eight (438) of the Code shall be
9 assessed shall be calculated in accordance with the methods
10 provided herein, except that any references to ten percent
11 in this subsection shall be eight percent. Beginning with
12 valuations established as of January 1, 1979, and each year
13 thereafter, property valued by the department of revenue
14 pursuant to chapter four hundred thirty-four (434) of the
15 Code shall also be assessed at a percentage of its actual
16 value which percentage shall be equal to the percentage
17 determined by the director of revenue for commercial property,
18 industrial property, or property valued by the department
19 of revenue pursuant to chapters four hundred twenty-eight
20 (428), four hundred thirty-three (433), four hundred thirty-
21 six (436), four hundred thirty-seven (437), and four hundred
22 thirty-eight (438) of the Code, whichever is lowest.

23 Sec. 5. Section four hundred forty-one point twenty-one
24 (441.21), subsection six (6), Code 1979, as amended by Acts
25 of the Sixty-eighth General Assembly, 1979 Session, chapter
26 twenty-five (25), section six (6), is amended to read as
27 follows:

28 6. Beginning with valuations established as of January
29 1, 1978, the assessors shall report the aggregate taxable
30 values and the number of dwellings located on agricultural
31 land and the aggregate taxable value of all other structures
32 on agricultural land. Beginning with valuations established
33 as of January 1, 1981, ~~such-agricultural-structures-and~~ the
34 agricultural dwellings located on agricultural land shall
35 be valued at their market value as defined in this section

1 ~~and-agricultural-structures~~ and agricultural dwellings shall
2 ~~each-constitute-a-separate-class-of~~ be valued as rural
3 residential property and shall be assessed at the same
4 percentage of actual value as is all other residential
5 property.

6 Sec. 6. Section four hundred forty-one point twenty-one
7 (441.21), Code 1979, as amended by Acts of the Sixty-eighth
8 General Assembly, 1979 Session, chapter twenty-five (25),
9 sections three (3), four (4), five (5), and six (6), is amended
10 by inserting after subsection eight (8) the following new
11 subsection:

12 NEW SUBSECTION. For valuations established as of January
13 1, 1980, against which taxes will be levied for the fiscal
14 year beginning in the 1980 calendar year by any special charter
15 city that levies and collects its own taxes, the percentage
16 of actual value at which commercial and industrial property,
17 excluding properties referred to in section four hundred
18 twenty-seven A point one (427A.1), subsection six (6), of
19 the Code, shall be assessed shall be the quotient of the
20 dividend and divisor as defined in this section. The dividend
21 for each class of property shall be the valuation for each
22 class of property for valuations established as of January
23 1, 1979, and upon which any special charter city levied its
24 taxes in 1979, plus four percent of the amount so determined.
25 The divisor for each class of property shall be the total
26 actual value of all such property for 1979, as equalized by
27 the director of revenue pursuant to section four hundred
28 forty-one point forty-nine (441.49) of the Code, plus the
29 amount of value added to said total actual value by the
30 revaluation of existing properties in 1980. For valuations
31 established as of January 1, 1980, property valued by the
32 department of revenue pursuant to chapters four hundred twenty-
33 eight (428), four hundred thirty-three (433), four hundred
34 thirty-six (436), four hundred thirty-seven (437), and four
35 hundred thirty-eight (438) of the Code shall be considered

1 as one class of property and shall be assessed at a percentage
2 of its actual value. The percentage shall be determined by
3 the director of revenue in accordance with the provisions
4 of this section. For valuations established as of January
5 1, 1980, the percentage shall be the quotient of the dividend
6 and divisor as defined in this section. The dividend shall
7 be the total actual valuation established for 1979 by the
8 department of revenue, plus ten percent of the amount so
9 determined. The divisor for property valued by the department
10 of revenue pursuant to chapters four hundred twenty-eight
11 (428), four hundred thirty-three (433), four hundred thirty-
12 six (436), four hundred thirty-seven (437), and four hundred
13 thirty-eight (438) of the Code shall be the valuation
14 established for 1979, plus the amount of value added to the
15 total actual value by the revaluation of the property by the
16 department of revenue as of January 1, 1980. Property valued
17 by the department of revenue pursuant to chapter four hundred
18 thirty-four (434) of the Code shall also be assessed at a
19 percentage of its actual value which shall be equal to the
20 percentage determined by the director of revenue for commercial
21 property, industrial property, or property valued by the
22 department of revenue pursuant to chapters four hundred twenty-
23 eight (428), four hundred thirty-three (433), four hundred
24 thirty-six (436), four hundred thirty-seven (437), and four
25 hundred thirty-eight (438) of the Code, whichever is lowest.
26 The percentage at which commercial property, industrial
27 property and property valued by the department of revenue
28 pursuant to chapters four hundred twenty-eight (428), four
29 hundred thirty-three (433), four hundred thirty-four (434),
30 four hundred thirty-six (436), four hundred thirty-seven
31 (437), and four hundred thirty-eight (438) of the Code shall
32 be assessed will be certified by the director on or before
33 May 31, 1980 to the appropriate city official in special
34 charter cities that levy and collect their own taxes. The
35 percentage so certified shall be applicable only to those

1 valuations against which the special charter city levies its
2 own tax. For valuations established as of January 1, 1981,
3 and each year thereafter for any special charter city that
4 levies and collects its own taxes, the percentage of actual
5 value as equalized by the director of revenue as provided
6 in section four hundred forty-one point forty-nine (441.49)
7 at which commercial property and industrial property, excluding
8 property referred to in section four hundred twenty-seven
9 A point one (427A.1), subsection six (6), of the Code, shall
10 be assessed shall be calculated in accordance with the methods
11 provided herein adjusted to include the applicable and current
12 values as equalized by the director of revenue, except that
13 any references to six percent in this subsection shall be
14 four percent. The assessor shall provide valuation information
15 to the director of revenue sufficient for the computation
16 of the assessment percentage by May fifteenth of each year
17 on forms prescribed by the director of revenue. For valuations
18 established as of January 1, 1981, and each year thereafter,
19 in a special charter city which levies and collects its own
20 taxes, the percentage of actual value at which property valued
21 by the department of revenue pursuant to chapters four hundred
22 twenty-eight (428), four hundred thirty-three (433), four
23 hundred thirty-six (436), four hundred thirty-seven (437),
24 and four hundred thirty-eight (438) of the Code shall be
25 assessed shall be calculated in accordance with the methods
26 provided herein, except that any references to ten percent
27 in this subsection shall be eight percent.

28 Sec. 7. Section four hundred forty-one point twenty-one
29 (441.21), subsection ten (10), Code 1979, is amended to read
30 as follows:

31 10. For the purpose of computing the debt limitations
32 for municipalities, political subdivisions and school
33 districts, the term "actual value" means the "actual value"
34 as determined by subsections one (1) through three (3) of
35 this section without application of any percentage reduction

1 and entered opposite each item, and as listed on the tax list
2 as provided in section 443.2 as "actual value".

3 Whenever any board of review or other tribunal changes
4 the assessed value of property, all applicable records of
5 assessment shall be adjusted to reflect such change in both
6 assessed value and actual value of such property.

7 Sec. 8. Section four hundred forty-one point twenty-one
8 (441.21), subsection twelve (12), Code 1979, as amended by
9 Acts of the Sixty-eighth General Assembly, 1979 Session,
10 chapter twenty-five (25), section five (5), is amended to
11 read as follows:

12 12. Not later than November 1, 1979, and November first
13 of each subsequent year, the director shall certify to the
14 county auditor of each county the percentages of actual value
15 at which residential and property, agricultural property,
16 commercial property, industrial property, and property valued
17 by the department of revenue pursuant to chapters four hundred
18 twenty-eight (428), four hundred thirty-three (433), four
19 hundred thirty-four (434), four hundred thirty-six (436),
20 four hundred thirty-seven (437), and four hundred thirty-eight
21 (438) of the Code in each assessing jurisdiction in the county
22 shall be assessed for taxation. The county auditor shall
23 proceed to determine the assessed values of agricultural and
24 property, residential property, commercial property, industrial
25 property, and property valued by the department of revenue
26 pursuant to chapters four hundred twenty-eight (428), four
27 hundred thirty-three (433), four hundred thirty-four (434),
28 four hundred thirty-six (436), four hundred thirty-seven
29 (437), and four hundred thirty-eight (438) of the Code by
30 applying such percentages to the current actual value of such
31 property, as reported to the county auditor by the assessor,
32 and the assessed values so determined shall be the taxable
33 values of such properties upon which the levy shall be made.

34 Sec. 9. Section four hundred forty-one point twenty-one
35 (441.21), subsection thirteen (13), Code 1979, is amended

1 to read as follows:

2 13. The percentage of actual value computed by the director
3 for agricultural and property, residential property, commercial
4 property, industrial property and property valued by the
5 department of revenue pursuant to chapters four hundred twenty-
6 eight (428), four hundred thirty-three (433), four hundred
7 thirty-four (434), four hundred thirty-six (436), four hundred
8 thirty-seven (437), and four hundred thirty-eight (438) of
9 the Code and used to determine assessed values of those classes
10 of property does not constitute a rule as defined in section
11 17A.2, subsection 7.

12 Sec. 10. Section four hundred forty-one point twenty-
13 one (441.21), Code 1979, as amended by Acts of the Sixty-
14 eighth General Assembly, 1979 Session, chapter twenty-five
15 (25), sections three (3), four (4), five (5), and six (6),
16 is amended by adding the following new subsection:

17 NEW SUBSECTION. The reduction of actual value provided
18 in this section where applicable to property within an urban
19 renewal area, shall be applied to reduce the initial assessed
20 value under section four hundred three point nineteen (403.19),
21 subsection one (1) of the Code, for the purpose of the division
22 of revenue under that section.

23 Sec. 11. Section four hundred forty-three point two
24 (443.2), Code 1979, is amended by adding the following new
25 unnumbered paragraph:

26 NEW UNNUMBERED PARAGRAPH. In any case where, in trans-
27 cribing the assessments, a county auditor has failed or fails
28 to enter the actual value opposite each item of taxable
29 property on the tax list, then the aggregate actual value,
30 as well as the aggregate taxable value, of all the taxable
31 property within the county and each political subdivision
32 shall be transcribed from the books and records of assessment
33 onto the tax list in order that the actual value of the taxable
34 property within the county or a political subdivision may
35 be ascertained and shown by the tax list for the purpose of

1 computing the debt-incurring capacity of the county or
2 political subdivision. As used in this section and section
3 four hundred forty-three point five (443.5) of the Code,
4 "actual value" is the value determined under section four
5 hundred forty-one point twenty-one (441.21), subsections one
6 (1) through three (3) of the Code, prior to the reduction
7 to a percentage of actual value as otherwise provided in
8 section four hundred forty-one point twenty-one (441.21) of
9 the Code.

10 Sec. 12. Section four hundred forty-three point five
11 (443.5), Code 1979, is amended to read as follows:

12 443.5 AGGREGATE VALUATIONS CERTIFIED. At the time of
13 delivering the list to the treasurer, the auditor shall furnish
14 to the director of revenue a certified statement showing
15 separately the aggregate actual and taxable valuations of
16 the real and personal property in the county, and also the
17 aggregate amount of each separate tax as shown by the tax
18 list.

19 Sec. 13. Section four hundred forty-four point nine
20 (444.9), subsection four (4), Code 1979, is amended to read
21 as follows:

22 4. DES MOINES COUNTY LEVY. In all counties having a
23 population of thirty-five thousand, or more, and not more
24 than ~~forty~~ fifty-five thousand, and having an ordnance plant
25 located therein owned by the United States government, the
26 board of supervisors may, with the approval of the state
27 comptroller, levy not to exceed fifty-four cents per thousand
28 dollars of assessed value under the provisions of this section.

29 Sec. 14. Notwithstanding the provisions of section four
30 hundred forty-one point twenty-one (441.21), subsection twelve
31 (12), of the Code, as amended by section eight (8) of this
32 Act, the director of revenue shall certify to the county
33 auditor of each county the percentages of actual value at
34 which commercial property, industrial property and property
35 valued by the department of revenue pursuant to chapters four

1 hundred twenty-eight (428), four hundred thirty-three (433),
2 four hundred thirty-four (434), four hundred thirty-six (436),
3 four hundred thirty-seven (437), and four hundred thirty-eight
4 (438) of the Code in each assessing jurisdiction in the county
5 shall be assessed for taxation not later than fifteen days
6 following the effective date of this Act. The county auditor
7 shall immediately proceed to apply the percentages certified
8 by the director of revenue in the manner provided under section
9 four hundred forty-one point twenty-one (441.21), subsection
10 twelve (12), of the Code.

11 Sec. 15. The provisions of section one (1) of this Act
12 are retroactive to January 1, 1979 for credits claimed on
13 or after January 1, 1979 and approved under chapter four hun-
14 dred twenty-five (425) of the Code for a homestead tax credit
15 on an eligible homestead and to this extent the provisions
16 of section one (1) of this Act are retroactive.

17 Sec. 16. The provisions of section four (4) and sections
18 six (6) through nine (9) of this Act are retroactive to January
19 1, 1979 for actual values determined as of January 1, 1979
20 for commercial property, industrial property, and property
21 valued by the department of revenue pursuant to chapters four
22 hundred twenty-eight (428), four hundred thirty-three (433),
23 four hundred thirty-four (434), four hundred thirty-six (436),
24 four hundred thirty-seven (437), and four hundred thirty-eight
25 (438) of the Code for which the assessed value shall be
26 determined pursuant to the provisions of section three (3)
27 and sections six (6) through nine (9) of this Act and to this
28 extent the provisions of section three (3) and sections six
29 (6) through nine (9) of this Act are retroactive.

30 NEW SECTION. The legislative council is directed to create
31 a ten-member study committee composed of five members each
32 from the standing committee on ways and means of the senate
33 and house of representatives representing both political
34 parties, which committee shall conduct a comprehensive study
35 of the present property tax structure. The study shall

1 include, but not be limited to, the following:

2 1. How different types and classes of property should
3 be valued for property tax assessment purposes.

4 2. The impact of property tax assessment limits on the
5 distribution of state school aid under the foundation plan.

6 3. The impact of property tax assessment limits on city
7 and county budgets.

8 4. The advisability of taxing improvements to land
9 relatively less than unimproved land.

10 5. The feasibility of assessing additional classes of
11 property on a capitalized potential income basis.

12 Expenses of the study committee, including the cost for
13 employing persons or business firms to assist the committee
14 in its study shall be paid from funds available under section
15 two point twelve (2.12) of the Code.

16 The study shall transmit copies of its final report to
17 the governor and the members of the Sixty-ninth General
18 Assembly, not later than January 12, 1981. The final report
19 shall include findings of fact and its recommendations.

20 Sec. 17. The provisions of section fourteen (14) of this
21 Act are retroactive to January 1, 1980 for determination of
22 the county property tax levy for budgets for the fiscal year
23 beginning July 1, 1980 and to this extent the provision of
24 section fourteen (14) of this Act is retroactive.

25 Sec. 18. This Act, being deemed of immediate importance,
26 shall take effect from and after its publication in the
27 Marshalltown Times-Republican, a newspaper published in
28 Marshalltown, Iowa, and in the Globe-Gazette, a newspaper^{2/23}
29 published in Mason City, Iowa.

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S-5013

1 Amend House File 2072, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 1, by inserting before line 1, the
4 following new section:

5 "Section 1. Section twenty-four point forty-eight
6 (24.48), Code 1979, as amended by Acts of the Sixty-
7 eighth General Assembly, 1979 Session, chapter twenty-
8 five (25), section one (1), is amended by adding the
9 following new unnumbered paragraph:

10 NEW UNNUMBERED PARAGRAPH. For property tax budgets
11 based upon property valuations established as of
12 January 1, 1979 and each year thereafter, a political
13 subdivision shall be allowed an increase in its
14 property tax levy for the general fund equal in dollars
15 to the amount of the preceding year's property taxes
16 actually levied for the general fund plus five percent
17 of that amount. If the property tax levy for the
18 general fund, as computed under this section with
19 the allowable five percent increase exceeds any
20 statutory property tax levy limitations, the political
21 subdivision shall be allowed to exceed the statutory
22 property tax levy limitations without appealing to
23 the state appeal board, or in the case of a city,
24 to the city finance committee. However, where a
25 political subdivision of the state exceeds any
26 statutory property tax levy limitations and is not
27 required to appeal, the political subdivision shall
28 file a report with the state appeal board, or in the
29 case of a city, with the city finance committee, that
30 the political subdivision will exceed the statutory
31 property tax levy limitations on its general fund."

32 2. Page 8, line 8, by striking the word "ten"
33 and inserting in lieu thereof the word "eight".

34 3. Page 8, line 16, by striking the word "Property"
35 and inserting in lieu thereof the words "For valuations
36 established as of January 1, 1980, and each year
37 thereafter, property".

38 4. Page 11, line 26, by striking the words "In
39 any case where, in trans-".

40 5. Page 11, by striking lines 27 through 32 and
41 inserting in lieu thereof the words "The county auditor
42 shall list the aggregate actual value and the aggregate
43 taxable value of all taxable property within the
44 county and each political subdivision on the tax
45 list".

46 6. Page 11, line 33, by striking the words "onto
47 the tax list".

48 7. Page 12, by inserting after line 18 the

49 following:

50 "Sec. ____ . Section four hundred forty-four point

B
Last 2/1 (p. 255)

A
Adopted 2/1

c

S-5013
Page 2

C
Adopted
as amended
by 5047
2/1 (261)

1 three (444.3), Code 1979, is amended by adding the
2 following new unnumbered paragraph:
3 NEW UNNUMBERED PARAGRAPH. Beginning with the 1981
4 fiscal year, if the governing body of a city or county
5 in the state wishes to raise in a fiscal year
6 additional real property tax revenues for a specific
7 purpose or its general fund in excess of the statutory
8 levy limit for that purpose or the general fund, it
9 may present the question of exceeding the applicable
10 statutory levy limit at a referendum held for that
11 purpose. The governing body of the city or county
12 shall direct the county commissioner of elections
13 to submit the question of whether to exceed the
14 applicable levy limit to the qualified electors of
15 the city or county at a referendum to be held in
16 November of the fiscal year preceding the fiscal year
17 in which the levy limit is to be exceeded. The ballot
18 shall specify the levy limit that is to be exceeded
19 and the figure by which it will be exceeded. If more
20 than fifty percent of those voting favor exceeding
21 the specified levy limit, the governing body may
22 exceed the specified levy limit for the next fiscal
23 year by at most the amount specified on the ballot.
24 The authorization to exceed the specified levy limit
25 shall only apply for the fiscal year requested. The
26 procedure to exceed a statutory levy limit provided
27 in this paragraph is in addition to other procedures
28 provided by law."

B
Adopted 2/1

29 8. Page 14, line 20, by striking the word and
30 figure "fourteen (14)" and inserting in lieu thereof
31 the word and figure "thirteen (13)".

32 9. Page 14, line 24, by striking the word and
33 figure "fourteen (14)" and inserting in lieu thereof
34 the word "thirteen (13)".

D
Adopted 2/1
(p 261)

35 10. Amend the title page, line 7, by inserting
36 after the word "purposes" the words ", by providing
37 a procedure to exceed levy limits".

38 11. Renumber sections and correct internal
39 references as are necessary in accordance with this
40 amendment.

S-5013 FILED
JANUARY 25, 1980

BY COMMITTEE ON WAYS AND MEANS
ROLF V. CRAFT, CHAIRPERSON

A, C, D - Adopted; B - Lost

HOUSE FILE 2072

S-5022

1 Amend the Committee amendment, S-5013, to House
2 File 2072, as amended, passed and reprinted by the
3 House as follows:

4 1. Page 2, by inserting after line 28 the
5 following:

6 "____. Page 13, by inserting after line 10 the
7 following new section:

8 "Sec. ____: If this Act delays the preparation
9 of the tax lists and the collection of the taxes and
10 the delay requires a political subdivision of this
11 state to issue warrants, the state shall reimburse
12 the political subdivision for the amount of interest
13 paid on warrants issued. However, before the
14 provisions of this section shall apply, the state
15 comptroller shall determine that any warrants were
16 required to be issued and that the warrants would
17 not have been issued but for the delays in the
18 collection of taxes following the implementation of
19 this Act. There is appropriated to the state
20 comptroller from the general fund of the state an
21 amount sufficient to carry out the provisions of this
22 section.""

23 2. Page 2, by inserting after line 37 the
24 following:

25 "____. Amend the title page, line 9, by inserting
26 after the word "making" the words "an appropriation
27 and making"."

S-5022 FILED *Lost* BY C. W. (BILL) HUTCHINS
JANUARY 31, 1980 *2/1 (p. 1260)*

HOUSE FILE 2072

S-5026

1 Amend S-~~5025~~ to House File 2072, as amended, passed
2 and reprinted by the House as follows:

3 1. Page 1, line 26, by inserting after the word
4 "exceed" the words "two percent in the 1981 fiscal
5 year and in fiscal years thereafter shall not exceed"

6 2. Page 1, line 29, by striking the word "one"
7 and inserting in lieu thereof the words "the
8 allowable".

9 3. Page 1, line 32, by striking the word "one"
10 and inserting in lieu thereof the words "the
11 allowable".

12 4. Page 1, line 42, by striking the word "one"
13 and inserting in lieu thereof the words "the
14 allowable".

S-5026 FILED *Lost* BY STEPHEN W. BISENIUS
JANUARY 31, 1980 *(p. 22-)*

S-5025

1 Amend House File 2072 as passed and reprinted by
2 the House as follows:

3 1. Page 12, by inserting after line 18, the
4 following:

5 "Sec. 13. Section four hundred forty-four point
6 seven (444.7), Code 1979, is amended to read as
7 follows:

8 444.7 EXCESSIVE TAX PROHIBITED.

9 1. It is hereby-made a simple misdemeanor for
10 the board of supervisors to authorize, or the county
11 auditor to carry upon the tax lists for any year,
12 an amount of tax for any public purpose in excess
13 of the amount certified or authorized as provided
14 by law. The state comptroller shall prescribe and
15 furnish the county auditors forms and instructions
16 to aid them in determining the legality and authorized
17 amount of tax levies. In the case of an excessive
18 levy, ~~it shall be the duty of~~ the county auditor to
19 shall reduce it to the maximum amount authorized by
20 law, and in any event not in excess of the amount
21 certified; and in case of an illegal levy the county
22 auditor shall not enter or carry any tax on the tax
23 lists for such levy.

24 2. The maximum amount of real property tax on
25 a parcel of real property that shall be raised annually
26 by the consolidated levy shall not exceed one percent
27 of the actual value of that real property. If the
28 consolidated levy would raise an amount of real
29 property tax in excess of one percent of the actual
30 value of a parcel of real property, the county auditor
31 shall lower the consolidated levy by an amount so
32 that the property tax raised equals one percent of
33 the actual value of the real property. Each district
34 within the county shall receive its proportionate
35 amount of the real property tax raised based upon
36 the ratio of its levy to the consolidated levy before
37 adjustment. For purposes of this subsection, the
38 actual value of the real property is the actual value
39 used in determining the assessed value upon which
40 the consolidated levy is to be imposed. In determining
41 if the consolidated levy would raise an amount of
42 real property tax in excess of one percent of the
43 actual value of a parcel of real property in a county
44 which contains a special charter city which levies
45 and collects its own taxes, the rate of levy of that
46 special charter city shall be added to the consolidated
47 levy. If such a county must reduce its consolidated
48 levy, the special charter city shall also reduce its
49 levy by the same percent.

50 3. The limitation provided in subsection two (2)

A. B. Baker
Chair of Senate
2/4 (p. 283)

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Page 2

1 of this section shall not include the amount of real
2 property taxes raised by a special assessment or other
3 levy to pay the principal and interest on indebtedness
4 approved by the voters."

5 2. Page 13, by inserting after line 29 the
6 following:

7 "Sec. _____. The provisions of section thirteen
8 (13) of this Act take effect January first following
9 enactment for taxes levied and collected for fiscal
10 years beginning after the effective date."

11 3. Page 13, by striking lines 30 through 35 and
12 inserting in lieu thereof the following:

13 "NEW SECTION. There shall be created a special
14 bipartisan task force to study the entire issue of
15 property tax. The membership of the committee shall
16 be determined and appointed by the legislative council
17 and the governor. The class of residential,
18 agricultural, commercial and industrial property shall
19 each be represented by at least one member, at least
20 one member shall be an official from a state, city,
21 county and school board and one member shall be from
22 the comptroller's office. The members of the task
23 force who are not state employees shall be entitled
24 to receive forty dollars per diem for each day devoted
25 to the duties as members. All members shall receive
26 reimbursement for actual and necessary expenses
27 incurred in the discharge of these duties. There
28 is appropriated from the general fund an amount
29 sufficient to meet the expenses of the task force.
30 Staff assistance shall be provided by the legislative
31 service bureau. The study shall".

32 4. Page 14, by inserting after line 11 the
33 following:

34 "6. Recommendations for alternate financing of
35 budgets for those political subdivisions currently
36 dependent upon property taxation for that financing."

37 5. Page 14, line 18, by striking the figure "12"
38 and inserting in lieu thereof the figure "15".

39 6. Title page, line 9, by inserting after the
40 word "plant" the words ", by limiting the amount of
41 property taxes that can be raised, making an
42 appropriation".

S-5025 FILED *Ruled out of* BY STEPHEN W. BISENIUS
JANUARY 31, 1980 *order (pp. 253 & 256)*

B
Ruled out of
order upon
adoption of
5031 (p. 256)

HOUSE FILE 2072

S-5029

1 Amend the Committee on Ways and Means amendment,
2 S-5013, to House File 2072, as amended, passed, and
3 reprinted by the House, as follows:

4 1. Page 1, by striking lines 3 through 31 and
5 inserting in lieu thereof the following:

6 "____. Page 1, by striking lines 1 through 35.

7 _____. Page 2, by striking lines 1 through 23,
8 and inserting in lieu thereof the following new
9 section:

10 "Sec. _____. Chapter twenty-four (24), Code 1979,
11 is amended by adding the following new section:

12 NEW SECTION. Beginning with valuations established
13 as of January 1, 1979, and each year thereafter, each
14 political subdivision of the state shall compute the
15 levy for the property tax budget for its general fund
16 on the market value of the commercial property,
17 industrial property, and property valued by the
18 department of revenue pursuant to chapters four hundred
19 twenty-eight (428), four hundred thirty-three (433),
20 four hundred thirty-four (434), four hundred thirty-
21 six (436), four hundred thirty-seven (437), and four
22 hundred thirty-eight (438) of the Code and the assessed
23 value of other property as provided by law. However,
24 the property tax budget for its general fund shall
25 not exceed the levy limitations provided by law.
26 Beginning with valuations established as of January
27 1, 1979, and each year thereafter, each political
28 subdivision shall also compute the levy for its
29 property tax budget for its general fund on the basis
30 of the assessed value of all property within the
31 political subdivision as provided by law. Upon the
32 completion of its budget process and the determination
33 of its final property tax budget for its general fund,
34 each political subdivision shall certify to the state
35 comptroller the amount of the levy and its property
36 tax budget for its general fund computed on the
37 assessed value of all property as provided by law
38 and the levy and the property tax budget for its
39 general fund computed on the market value of the
40 commercial property, industrial property, and property
41 valued by the department pursuant to chapters four
42 hundred twenty-eight (428), four hundred thirty-three
43 (433), four hundred thirty-four (434), four hundred
44 thirty-six (436), four hundred thirty-seven (437)
45 and four hundred thirty-eight (438) of the Code.
46 The difference shall be the amount of reimbursement
47 the city or county shall receive from the state each
48 year. On or before December first of each year, the
49 state comptroller shall issue warrants to each
50 political subdivision in the state in the amount of

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1 the reimbursement determined pursuant to this
2 section."

S-5029 FILED *Jan 2/1 (255)* BY WILLIAM D. PALMER
JANUARY 31, 1980

HOUSE FILE 2072

S-5028

1 Amend House File 2072, as amended, passed and
2 reprinted by the House, as follows:
3 1. Page 1, by striking lines 1 through 35.
4 2. Page 2, by striking lines 1 through 23, and
5 inserting in lieu thereof the following new section:
6 "Sec. ____ Chapter twenty-four (24), Code 1979,
7 is amended by adding the following new section:
8 NEW SECTION. Beginning with valuations established
9 as of January 1, 1979, and each year thereafter, each
10 political subdivision of the state shall compute the
11 levy for the property tax budget for its general fund
12 on the market value of the commercial property,
13 industrial property, and property valued by the
14 department of revenue pursuant to chapters four hundred
15 twenty-eight (428), four hundred thirty-three (433),
16 four hundred thirty-four (434), four hundred thirty-
17 six (436), four hundred thirty-seven (437), and four
18 hundred thirty-eight (438) of the Code and the assessed
19 value of other property as provided by law. However,
20 the property tax budget for its general fund shall
21 not exceed the levy limitations provided by law.
22 Beginning with valuations established as of January
23 1, 1979, and each year thereafter, each political
24 subdivision shall also compute the levy for its
25 property tax budget for its general fund on the basis
26 of the assessed value of all property within the
27 political subdivision as provided by law. Upon the
28 completion of its budget process and the determination
29 of its final property tax budget for its general fund,
30 each political subdivision shall certify to the state
31 comptroller the amount of the levy and its property
32 tax budget for its general fund computed on the
33 assessed value of all property as provided by law
34 and the levy and the property tax budget for its
35 general fund computed on the market value of the
36 commercial property, industrial property, and property
37 valued by the department pursuant to chapters four
38 hundred twenty-eight (428), four hundred thirty-three
39 (433), four hundred thirty-four (434), four hundred
40 thirty-six (436), four hundred thirty-seven (437)
41 and four hundred thirty-eight (438) of the Code.
42 The difference shall be the amount of reimbursement
43 the city or county shall receive from the state each
44 year. On or before December first of each year, the
45 state comptroller shall issue warrants to each
46 political subdivision in the state in the amount of
47 the reimbursement determined pursuant to this section."

S-5028 FILED *H/D 2/1 (p. 259)* BY WILLIAM D. PALMER
JANUARY 31, 1980

S-5031

1 Amend House File 2072, as amended, passed and
2 reprinted by the House as follows:

3 1. Page 3, by inserting after line 2 the following
4 new section:

5 "Sec. _____. Section four hundred forty-one point
6 twenty-one (441.21), subsection five (5), Code 1979,
7 as amended by Acts of the Sixty-eighth General
8 Assembly, 1979 Session, chapter twenty-five (25),
9 section five (5), is amended to read as follows:

10 5. For valuations established as of January 1,
11 1979, the percentage of actual value at which
12 agricultural and residential property shall be assessed
13 shall be the quotient of the dividend and divisor
14 as defined in this section. The dividend for each
15 class of property shall be the dividend as determined
16 for each class of property for valuations established
17 as of January 1, 1978, adjusted by the product obtained
18 by multiplying the percentage determined for that
19 year by the amount of any additions or deletions to
20 actual value, excluding those resulting from the
21 revaluation of existing properties, as reported by
22 the assessors on the abstracts of assessment for 1978,
23 plus six percent of the amount so determined. However,
24 if the difference between the dividend so determined
25 for either class of property and the dividend for
26 that class of property for valuations established
27 as of January 1, 1978, adjusted by the product obtained
28 by multiplying the percentage determined for that
29 year by the amount of any additions or deletions to
30 actual value, excluding those resulting from the
31 revaluation of existing properties, as reported by
32 the assessors on the abstracts of assessment for 1978,
33 is less than six percent, the 1979 dividend for the
34 other class of property shall be the dividend as
35 determined for that class of property for valuations
36 established as of January 1, 1978, adjusted by the
37 product obtained by multiplying the percentage
38 determined for that year by the amount of any additions
39 or deletions to actual value, excluding those resulting
40 from the revaluation of existing properties, as
41 reported by the assessors on the abstracts of
42 assessment for 1978, plus a percentage of the amount
43 so determined which is equal to the percentage by
44 which the dividend as determined for the other class
45 of property for valuations established as of January
46 1, 1978, adjusted by the product obtained by
47 multiplying the percentage determined for that year
48 by the amount of any additions or deletions to actual
49 value, excluding those resulting from the revaluation
50 of existing properties, as reported by the assessors

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1 on the abstracts of assessment for 1978, is increased
2 in arriving at the 1979 dividend for the other class
3 of property. The divisor for each class of property
4 shall be the total actual value of all such property
5 in the state in the preceding year, as reported by
6 the assessors on the abstracts of assessment submitted
7 for 1978, plus the amount of value added to said total
8 actual value by the revaluation of existing properties
9 in 1979 as equalized by the director of revenue
10 pursuant to section 441.49. The director shall utilize
11 information reported on abstracts of assessment
12 submitted pursuant to section 441.45 in determining
13 such percentage. For valuations established as of
14 January 1, 1980, and each year thereafter, the
15 percentage of actual value as equalized by the director
16 of revenue as provided in section 441.49 at which
17 agricultural and residential property shall be assessed
18 shall be calculated in accordance with the methods
19 provided herein including the limitation of increases
20 in agricultural and residential assessed values to
21 the percentage increase of the other class of property
22 if the other class increases less than the allowable
23 limit adjusted to include the applicable and current
24 values as equalized by the director of revenue, ~~except~~
25 ~~that any references to six percent in this subsection~~
26 ~~shall be four percent."~~

27 2. Page 4, line 32, by striking the word "four"
28 and inserting in lieu thereof the word "six".

29 3. Page 6, lines 1 and 2, by striking the words
30 ", except that any references to six percent in this
31 subsection shall be four percent".

32 4. Page 7, by inserting after line 5 the following
33 new section:

34 "Sec. _____. Section four hundred forty-one point
35 twenty-one (441.21), subsection eight (8), Code 1979,
36 as amended by Acts of the Sixty-eighth General
37 Assembly, 1979 Session, chapter twenty-five (25),
38 section eight (8), is amended to read as follows:

39 8. For valuations established as of January 1,
40 1979, against which taxes will be levied for the
41 fiscal year beginning in the 1979 calendar year by
42 any special charter city that levies and collects
43 its own taxes, the percentage of actual value at which
44 agricultural and residential property shall be assessed
45 shall be the quotient of the dividend and divisor
46 as defined in this section. The dividend for each
47 class of property shall be the valuation for each
48 class of property for valuations established as of
49 January 1, 1978, and upon which any special charter
50 city levied its taxes in 1978, adjusted by the product

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1 obtained by multiplying the percentage determined
2 for that year by the amount of any additions or
3 deletions to actual value, excluding those resulting
4 from the revaluation of existing properties, as
5 reported by the assessor on the abstract of assessment
6 for 1978, plus six percent of the amount so determined.
7 The divisor for each class of property shall be the
8 total actual value of all such property in the city
9 in the preceding year, as reported by the assessor
10 on the abstract of assessment submitted for 1978,
11 plus the amount of value added to said total actual
12 value by the revaluation of existing properties in
13 1979. However, if the estimated statewide growth
14 in assessed valuation is less than six percent for
15 either class of property for 1979, the director shall
16 estimate the percentages by which the statewide
17 valuation of residential and agricultural property
18 will increase in 1979. The lower percentage shall
19 be used in lieu of six percent for both classes of
20 property in calculating the percentages at which
21 agricultural and residential property shall be
22 assessed. The percentage at which agricultural and
23 residential property shall be assessed will be
24 certified by the director on or before May 31, 1979
25 to the appropriate city official in special charter
26 cities that levy and collect their own taxes. The
27 percentage so certified shall be applicable only to
28 those valuations against which the special charter
29 city levies its own tax. For valuations established
30 as of January 1, 1980, and each year thereafter for
31 any special charter city that levies and collects
32 its own taxes, the percentage of actual value as
33 equalized by the director of revenue as provided in
34 section 441.49 at which agricultural and residential
35 property shall be assessed shall be calculated in
36 accordance with the methods provided herein adjusted
37 to include the applicable and current values as
38 equalized by the director of revenue, ~~except that~~
39 ~~any references to six percent in this subsection shall~~
40 ~~be four percent.~~ The assessor shall provide valuation
41 information to the director of revenue sufficient
42 for the computation of the assessment percentage by
43 May fifteenth of each year on forms prescribed by
44 the director of revenue."

45 5. Page 7, line 24, by striking the word "four"
46 and inserting in lieu thereof the word "six".

47 6. Page 9, lines 12, 13, and 14, by striking the
48 words ", except that any references to six percent
49 in this subsection shall be four percent".

50 7. Amend the title, line 4, by striking the word

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Page 4

1 "agricultural structures" and inserting in lieu thereof
2 the words "residential property, agricultural land
3 and structures".
4 8. Renumber sections and correct internal
5 references as are necessary in accordance with this
6 amendment.

S-5031 FILED *Loat 2/4* BY DAVID M. READINGER
JANUARY 31, 1980 (*p 282*) NORMAN G. RODGERS

HOUSE FILE 2072

S-5027

1 Amend the Committee on Ways and Means amendment,
2 S-5013, to House File 2072, as amended, passed, and
3 reprinted by the House, as follows:
4 1. Page 1, lines 12 through 17, by striking the
5 words "political subdivision shall be allowed an
6 increase in its property tax levy for the general
7 fund equal in dollars to the amount of the preceding
8 year's property taxes actually levied for the general
9 fund plus five percent of that amount" and inserting
10 in lieu thereof the words "county or city shall be
11 allowed the amount of the preceding year's property
12 taxes actually levied for the general fund plus five
13 percent of that amount".
14 2. Page 1, lines 20 and 21, by striking the words
15 "political subdivision" and inserting in lieu thereof
16 the words "county or city".
17 3. Page 1, line 25, by striking the words
18 "political subdivision of the state" and inserting
19 in lieu thereof the words "county or city".
20 4. Page 1, line 27, by striking the words
21 "political subdivision" and inserting in lieu thereof
22 the words "county".
23 5. Page 1, line 30, by striking the words
24 "political subdivision" and inserting in lieu thereof
25 the word "county or city".

S-5027 FILED *Adopted 2/1 (255)* BY NORMAN G. RODGERS
JANUARY 31, 1980 ROLF V. CRAFT

S-5035

1 Amend House File 2072, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 23, the
4 following new sections:

5 "Sec. _____. Section four hundred twenty-seven point
6 three (427.3), subsection four (4), Code 1979, is
7 amended to read as follows:

8 4. The property, not to exceed one thousand eight
9 hundred fifty-two dollars in taxable value of any
10 honorably separated, retired, furloughed to a reserve,
11 placed on inactive status, or discharged soldier,
12 sailor, marine, or nurse of the second World War from
13 December 7, 1941 to December 31, 1946, army of
14 occupation in Germany November 12, 1918, to July 11,
15 1923, American expeditionary forces in Siberia November
16 12, 1918, to April 30, 1920, second Nicaraguan campaign
17 with the navy or marines in Nicaragua or on combatant
18 ships 1926-1933, second Haitian suppressions of
19 insurrections 1919-1920, navy and marine operations
20 in China 1937-1939 and Yangtze service with navy and
21 marines in Shanghai or in the Yangtze Valley 1926-
22 1927 and 1930-1932 or of the Korean Conflict at any
23 time between June 25, 1950, and January 31, 1955,
24 both dates inclusive, or those who served on active
25 duty during the Vietnam Conflict beginning August
26 5, 1964, and ending period beginning with the Korean
27 Conflict on June 25, 1950 and ending with the Vietnam
28 Conflict on June 30, 1973, both dates inclusive, and
29 as defined in section 35C.2.

30 Sec. _____. Section four hundred twenty-seven point
31 three (427.3), Code 1979, is amended by adding the
32 following new subsection:

33 NEW SUBSECTION. The property, not to exceed the
34 amount in taxable value specified in subsection four
35 (4) of this section, of any soldier, sailor, marine
36 or nurse who is in active service in the armed forces
37 of the United States on the date on which the claim
38 for exemption is filed and who would qualify under
39 subsection four (4) of this section if the person
40 was discharged, separated, retired, furloughed to
41 a reserve or placed on inactive status as of the date
42 the claim for exemption is filed.

43 Sec. _____. Section four hundred twenty-seven point
44 four (427.4), unnumbered paragraph two (2), Code 1979,
45 is amended to read as follows:

46 ~~No more than~~ Only one tax exemption shall be allowed
47 under this section or section 427.3 in the name of
48 any honorably discharged soldier, sailor, marine,
49 or nurse.

50 Sec. _____. Section four hundred twenty-seven point

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1 five (427.5), Code 1979, is amended to read as follows:
2 427.5 REDUCTION--DISCHARGE OF RECORD--OATH. Any
3 person named in section 427.3, provided he or she
4 is a resident of and domiciled in the state of Iowa,
5 shall receive a reduction equal to the exemption,
6 to be made from any property owned by such person
7 and so designated by proceeding as hereafter provided.
8 In order to be eligible to receive said the exemption
9 or reduction the person ~~claiming~~ same named in
10 subsections one (1) through four (4) of section four
11 hundred twenty-seven point three (427.3) of the Code
12 shall have had recorded in the office of the county
13 recorder of the county in which he or she shall claim
14 exemption or reduction, the military certificate of
15 satisfactory service, order transferring to inactive
16 status, reserve, retirement, or order of separation
17 from service, or honorable discharge of the person
18 claiming or through whom is claimed said the exemption;
19 in the event said the evidence of satisfactory service,
20 separation, retirement, furlough to reserve, inactive
21 status, or honorable discharge is lost the claimant
22 may record in lieu of the same, a certified copy
23 thereof. In the case of a person named in section
24 two (2) of this Act, to be eligible to receive the
25 exemption or reduction the person shall have recorded
26 in the office of the county recorder of the county
27 in which he or she shall claim exemption or reduction
28 an affidavit signed by his or her commanding officer
29 stating that the person served in the armed forces
30 during the required time and is presently on active
31 duty in the year the claim is to be filed.
32 PARAGRAPH DIVIDED. Said The person shall file
33 with the city or county assessor, as the case may
34 be, the claim for exemption or reduction in taxes
35 under oath, which claim shall set out the fact that
36 said the person is a resident of and domiciled in
37 the state of Iowa, or in the case of a person named
38 in section two (2) of this Act, the person is a
39 resident of the state of Iowa and his or her spouse
40 or dependent children are domiciled in this state
41 and a person within the terms of section 427.3, and,
42 if applicable, give the volume and page on which the
43 certificate of satisfactory service, order of
44 separation, retirement, furlough to reserve, inactive
45 status, or honorable discharge or certified copy
46 thereof is recorded in the office of the county
47 recorder, and may include the designation of the
48 property from which said the exemption or reduction
49 is to be made, and shall further state that the
50 claimant is the equitable and legal owner of the

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1 property designated therein. The assessor shall
2 tabulate and deliver or file ~~said~~ the claims with
3 the county auditor, having the assessor's
4 recommendations for allowance or disallowance endorsed
5 thereon. In case the owner of the property is in
6 active service in any of the armed forces of the
7 United States or of this state, including the nurses
8 corps of the state or of the United States, ~~said~~ the
9 claim may be executed and delivered or filed by the
10 owner's spouse, parent, child, brother, or sister,
11 or by any person who may represent the owner under
12 power of attorney. In all cases where the owner of
13 the property is married, the spouse may execute and
14 deliver or file ~~said~~ the claim for exemption. A
15 person may not claim a reduction or exemption in more
16 than one county of the state, and if a designation
17 is not made the exemption shall apply to the homestead,
18 if any."

19 2. Renumber sections and correct internal
20 references as may be necessary in accordance with
21 this amendment.

S-5035 FILED *Out of order 2/4* BY JOE BROWN
FEBRUARY 1, 1980 *(p. 231)*

HOUSE FILE 2072

S-5045

1 Amend House File 2072, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, line 7, by striking the words "four
4 thousand ~~five~~ eight hundred fifty dollars" and
5 inserting in lieu thereof the words "~~four~~ five thousand
6 ~~five-hundred~~ dollars".
7 2. Page 1, lines 10 and 11, by striking the words
8 "four thousand ~~five~~ eight hundred fifty dollars" and
9 inserting in lieu thereof the words "~~four~~ five thousand
10 ~~five-hundred~~ dollars".
11 3. Page 2, lines 1 and 2, by striking the words
12 "four thousand eight hundred fifty dollars" and
13 inserting in lieu thereof the words "five thousand
14 dollars".
15 4. Page 2, line 6, by striking the words "four
16 thousand eight hundred fifty dollars" and inserting
17 in lieu thereof the words "five thousand dollars".

S-5045 FILED
FEBRUARY 1, 1980
LOST *(p. 259)*

BY BOB RUSH
BOB CARR
LOWELL L. JUNKINS
CHARLES MILLER
C.W. HUTCHINS
WM D. PALMER
JIM GALLAGHER
C. JOSEPH COLEMAN
TOM SLATER
JOHN SCOTT
GEORGE R. KINLEY
JAMES CALHOON
JOANN ORR
ALVIN V. MILLER
PATRICK J. DELUHERY

HOUSE FILE 2072

S-5032

1 Amend House File 2072 as amended, passed and
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 23 the following
4 new section:

5 "Sec. ____ Chapter four hundred twenty-six (426),
6 Code 1979, is amended by adding the following new
7 section:

8 NEW SECTION. SOIL LOSS LIMITS--CREDIT LIMITED
9 FOR NONCOMPLYING LAND.

10 1. It is the intent of the general assembly to
11 begin at once to work toward the goal of bringing
12 erosion of soil from all land in this state within
13 applicable soil loss limits established under law
14 by the respective soil conservation districts at
15 levels which will permit regeneration of topsoil,
16 so that the fertility of the land is maintained and
17 preserved for future generations. This section is
18 enacted as a first step toward that goal.

19 2. Notwithstanding any other provision of this
20 chapter, a tract of agricultural land as defined in
21 section four hundred twenty-six point two (426.2)
22 of the Code is not eligible after July 1, 1980 for
23 agricultural land tax credit for a fiscal year in
24 an amount greater than that tract would receive if
25 the total of all appropriations made for the
26 agricultural land tax credit for that fiscal year
27 was fixed at forty-two million dollars, unless the
28 soil conservation district commissioners certify to
29 the county auditor that the tract is being operated
30 so that erosion from the land does not exceed two
31 times the applicable soil loss limit established under
32 section four hundred sixty-seven A point forty-four
33 (467A.44) of the Code. Once a tract has been so
34 certified to the county auditor by the soil
35 conservation district commissioners, that certification
36 shall remain valid until the commissioners notify
37 the county auditor that the tract is no longer in
38 compliance with the provisions of this section. If
39 a tract is not so certified, or a former certification
40 becomes invalid, the amount of the agricultural land
41 tax credit received by that tract shall revert to
42 the maximum permitted by this section for uncertified
43 land, effective with the next computation by the
44 auditor under section four hundred twenty-six point
45 six (426.6) of the Code."

S-5032 FILED *Out of order 2/4 (p. 28)* BY JOANN ORR
FEBRUARY 1, 1980

S-5036

1 Amend House File 2072 as amended, passed and
2 reprinted by the House as follows:

3 1. Page 1, by inserting before line 1 the follow-
4 ing:

5 "Section 1. NEW SECTION. AUTHORIZATION--ELECTION-
6 -IMPOSITION.

7 1. A city, two or more cities acting jointly,
8 or a county may impose local taxes authorized by
9 sections one (1) through fourteen (14) of this Act,
10 subject to this section.

11 2. A local tax may be imposed originally or after
12 a period of discontinuance, only after an election
13 at which a majority of those voting on the question
14 favors imposition, and shall then be imposed for a
15 minimum period of four years.

16 3. Subject to subsection four (4) of this section,
17 a city council may direct the county commissioner
18 of elections to submit the question of imposition
19 of an authorized local tax to the qualified electors
20 of the city on its own motion, and shall do so within
21 sixty days from the date of receipt of a petition
22 which is valid under section three hundred sixty-two
23 point four (362.4) of the Code and which requests
24 imposition of a specified type and rate of authorized
25 local tax.

26 4. Before a city council submits the question
27 of imposition of a local tax, it shall send written
28 notice by regular mail to the board of supervisors
29 of each county in which a part of the city is located,
30 describing the type and rate of tax proposed. Within
31 thirty days of the date of mailing the notice, the
32 board of supervisors may supersede city action by
33 directing the county commissioner of elections to
34 submit the question of imposition of the same type
35 and rate of tax countywide.

36 5. Subsequent to a period during which a local
37 tax has been imposed following an election:

38 a. A city council or board of supervisors, as
39 applicable, may continue to impose the same type and
40 rate of tax for one-year periods, may discontinue
41 the tax, or may direct the county commissioner of
42 elections to resubmit the question to the qualified
43 electors of the city or county.

44 b. A city council shall direct the county
45 commissioner of elections to resubmit the question
46 upon receipt of a petition which is valid under section
47 three hundred sixty-two point four (362.4) of the
48 Code.

49 6. The county commissioner of elections shall
50 submit the question of imposition of a local tax only

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1 at a special election which may not be held within
2 thirty days of a general election.

3 7. In a city election, or an election held by
4 two or more cities acting jointly, if a majority of
5 those voting in any city favors imposition of a local
6 tax, the council of that city shall impose the tax.

7 8. In a countywide election:

8 a. If a majority of those voting in the entire
9 county favors imposition of a local tax, the board
10 of supervisors shall impose the tax in the entire
11 county, including all cities in the county.

12 b. If a majority of those voting in the entire
13 county does not favor imposition of the tax, but a
14 majority of those voting in the unincorporated area
15 of the county favors imposition, the board of
16 supervisors shall impose the tax only in the
17 unincorporated area of the county.

18 c. If a majority of those voting in the entire
19 county does not favor imposition of the tax, but a
20 majority of those voting in any city in the county
21 favors imposition, the council of that city shall
22 impose the tax in that city.

23 9. A local tax shall be imposed or discontinued
24 only by ordinance of a city council or by resolution
25 of a board of supervisors.

26 10. If a majority of those voting in a city
27 election does not favor imposition of a local tax,
28 the city council shall not direct submission of the
29 question of imposition of the same type of local tax
30 within one year of the date of the election, and if
31 a majority of those voting in a countywide election
32 does not favor the imposition of a local tax, the
33 board of supervisors shall not submit the question
34 of imposition of the same type of local tax countywide
35 within one year of the date of the election. If a
36 countywide election fails, the city council of any
37 city in which a majority of those voting did not favor
38 the tax shall not direct submission of the question
39 of the same type of local tax within one year of the
40 date of the election.

41 11. More than one of the authorized local taxes
42 may be submitted at a single election and the votes
43 on the different taxes shall be separately implemented
44 as provided in this section if a majority of those
45 voting in a city, county or unincorporated area of
46 a county favors one and not another.

47 12. Except when a tax is imposed countywide, if
48 a majority of those voting in a city or the
49 unincorporated area of a county votes against a local
50 tax, that city or unincorporated area is not entitled

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1 to any property tax reduction or other benefit which
2 may otherwise be extended to a city or unincorporated
3 area in which a majority of those voting favors the
4 imposition of that local tax.

5 Sec. 2. NEW SECTION. LOCAL SALES, SERVICES AND
6 USE TAX. A local sales, services and use tax at the
7 rate determined by the election imposing the tax may
8 be imposed by a city or county on the gross receipts
9 taxed by the state under chapter four hundred twenty-
10 two (422), division four (IV), of the Code, or the
11 uses taxed under chapter four hundred twenty-three
12 (423) of the Code. A local sales, services and use
13 tax shall be imposed on the same basis as the state
14 sales, services and use tax and may not be imposed
15 on the sale or use of any property or on any service
16 not taxed by the state. A local sales, services and
17 use tax is applicable only to transactions within
18 the territorial limits of the city, unincorporated
19 area of the county, or county imposing it, and shall
20 be collected by all persons required to collect state
21 gross receipts or use taxes.

22 The amount of the sale, for purposes of determining
23 the amount of the local sales, services and use tax,
24 does not include the amount of any state gross receipts
25 or use taxes.

26 No tax permit other than the state tax permit
27 required under section four hundred twenty-two point
28 fifty-three (422.53) of the Code may be required by
29 local authorities.

30 Sec. 3. NEW SECTION. ADMINISTRATION. A local
31 sales, services and use tax may be imposed either
32 January first or July first following a favorable
33 election.

34 The director of revenue shall administer the
35 provisions of a local sales, services and use tax
36 as nearly as possible in conjunction with the
37 administration of state gross receipts and use tax
38 laws. The director shall provide appropriate forms,
39 or provide on the regular state tax forms, for
40 reporting local sales, services and use tax liability.

41 An ordinance of a city council or resolution of
42 a county board of supervisors imposing a local sales,
43 services and use tax shall adopt by reference the
44 applicable provisions of the appropriate sections
45 of chapter four hundred twenty-two (422), division
46 four (IV), of the Code and chapter four hundred twenty-
47 three (423) of the Code, and all powers of the director
48 to administer the state gross receipts and use tax
49 law are applicable to the administration of a local
50 sales, services and use tax law. Local officials

1 shall confer with the director of revenue for
2 assistance in drafting the ordinance or resolution
3 imposing a local sales, services and use tax. A
4 certified copy of the ordinance or resolution imposing
5 a local sales, services and use tax shall be filed
6 with the director as soon as possible after passage.

7 The director, in consultation with local officials,
8 shall collect and account for a local sales, services
9 and use tax. The director shall retain for the use
10 of the department of revenue one percent of all local
11 sales, services and use tax receipts, to cover
12 administrative expense, and shall credit remaining
13 local sales, services and use tax receipts to a local
14 sales, services and use tax fund hereby established
15 in the office of the treasurer of state.

16 Sec. 4. NEW SECTION. PAYMENT TO LOCAL GOVERNMENTS.

17 The treasurer of state shall remit quarterly to the
18 cities and counties which have imposed a local sales,
19 services and use tax, and which have qualified under
20 sections five (5) or six (6) of this Act, their share
21 of the balance in the local sales, services and use
22 tax fund. The local sales, services and use tax fund
23 is appropriated for this purpose.

24 Sec. 5. NEW SECTION. CITY PROPERTY TAX RELIEF.

25 All local sales, services and use tax, vehicle tax
26 and income tax moneys received by a city may be
27 expended for any lawful municipal purpose. However,
28 the city treasurer, or another city official designated
29 by the council, shall credit three-fourths of all
30 local sales, services and use tax, vehicle tax and
31 income tax moneys received to a special account for
32 property tax relief. Before the levies authorized
33 under section three hundred eighty-four point one
34 (384.1) of the Code are certified to the county
35 auditor, the certifying official shall subtract from
36 the total amount computed in dollars, as provided
37 in section four hundred forty-four point two (444.2)
38 of the Code, an amount equal to the amount credited
39 to the special account for property tax relief during
40 the last preceding twelve-month period, and shall
41 certify only the net amount to the county auditor
42 and board of supervisors. The county auditor shall
43 base the levies authorized under section four hundred
44 forty-four point three (444.3) of the Code upon the
45 net amount so computed. In order for a city to be
46 qualified to receive remittances from the treasurer
47 of state under sections one (1) through fourteen (14)
48 of this Act, the city clerk, before July fifteenth
49 of each year, shall certify to the treasurer of state
50 that the required reduction in the amount certified

1 to the county auditor and board of supervisors for
2 city taxes has been made.

3 Sec. 6. NEW SECTION. COUNTY PROPERTY TAX RELIEF.
4 All local sales, services and use tax, vehicle tax
5 and income tax moneys received by a county may be
6 expended for any lawful county government purpose
7 applicable to the unincorporated area of the county.
8 However, the county treasurer shall credit three-
9 fourths of all local sales, services and use tax,
10 vehicle tax and income tax moneys received to a special
11 account for property tax relief. Before the levies
12 authorized under section four hundred forty-four point
13 nine (444.9) of the Code are made, the board of
14 supervisors shall subtract from the total amount
15 computed in dollars, as provided in section four
16 hundred forty-four point two (444.2) of the Code,
17 an amount equal to the amount credited to the special
18 account for property tax relief during the last
19 preceding twelve-month period, and shall base the
20 levies authorized under section four hundred forty-
21 four point nine (444.9) of the Code upon the net
22 amount so computed. In order for a county to be
23 qualified to receive remittances from the treasurer
24 of state under sections one (1) through fourteen (14)
25 of this Act, the board of supervisors, before July
26 fifteenth of each year, shall certify to the treasurer
27 of state that the required reduction has been made.

28 Sec. 7. NEW SECTION. JOINT SHARES. If two or
29 more cities impose an authorized local tax jointly,
30 the treasurer of state shall credit the receipts to
31 a joint account in the appropriate local tax fund,
32 and shall remit to each qualified city a pro rata
33 share of the joint account, according to population
34 figures determined by the most recent certified federal
35 census.

36 Sec. 8. NEW SECTION. COUNTYWIDE SHARES. If an
37 authorized local tax is imposed countywide, the
38 treasurer of state shall credit the receipts to a
39 joint account in the appropriate local tax fund, and
40 shall remit to each qualified city in the county a
41 pro rata share of the joint account, based upon the
42 percentage of its population to the total population
43 of the county, and to the board of supervisors, when
44 the county is qualified, a pro rata share of the joint
45 account based upon the percentage of population in
46 the county outside of cities, all according to the
47 population determined by the most recent certified
48 federal census.

49 Sec. 9. NEW SECTION. LOCAL VEHICLE TAX. An
50 annual local vehicle tax at the rate per axle

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1 determined by the election imposing the tax may be
2 imposed by a city or county on every vehicle which
3 is required to be registered by the state, and is
4 registered to either of the following:

5 1. A person residing within the city,
6 unincorporated area of a county, or county which has
7 imposed the tax, at the time of registration of the
8 vehicle.

9 2. Any person, if the vehicle is usually kept,
10 garaged, or stored during the night and on weekends
11 and holidays within the limits of the city,
12 unincorporated area of a county, or county which has
13 imposed the tax.

14 A person subject to tax under subsection one (1)
15 of this section shall receive a credit for tax paid
16 for that year under subsection two (2) of this section.

17 For the purpose of the tax authorized by this
18 section, "person" means the same as defined in section
19 three hundred twenty-one point one (321.1), subsection
20 thirty-five (35), of the Code, "vehicle" means any
21 self-propelled vehicle subject to registration under
22 section three hundred twenty-one point eighteen
23 (321.18) of the Code, and "axle" means the assembly
24 of housing and axle shafts which supports and propels
25 either a pair of wheels or one wheel only.

26 Sec. 10. NEW SECTION. ADMINISTRATION. A local
27 vehicle tax may be imposed January first following
28 a favorable election.

29 Local officials shall confer with the director
30 of the department of transportation for assistance
31 in drafting the ordinance or levy imposing a local
32 vehicle tax. A certified copy of the ordinance or
33 levy imposing a local vehicle tax shall be filed with
34 the director as soon as possible after passage. The
35 director shall inform the appropriate county treasurers
36 and in cooperation with them shall collect and account
37 for all local vehicle taxes, crediting local vehicle
38 tax receipts to a local vehicle tax fund hereby
39 established in the office of the treasurer of state.
40 The treasurer of state shall remit annually at the
41 beginning of each fiscal year to the cities and
42 counties which have imposed a local vehicle tax and
43 which have qualified under section five (5) or six
44 (6) of this Act their share of the balance in the
45 local vehicle tax fund. The local vehicle tax fund
46 is appropriated for this purpose.

47 Sec. 11. NEW SECTION. PAYMENT. Taxpayers shall
48 pay a local vehicle tax to the county treasurer or
49 to the department of transportation at the time of
50 application for registration of the vehicle under

1 the provisions of sections three hundred twenty-one
2 point twenty (321.20), three hundred twenty-one point
3 twenty-three (321.23), three hundred twenty-one point
4 twenty-five (321.25), three hundred twenty-one point
5 forty (321.40), three hundred twenty-one point forty-
6 six (321.46), or three hundred twenty-one point forty-
7 seven (321.47) of the Code. County treasurers and
8 the department of transportation shall require a
9 person applying for registration of a vehicle to state
10 such person's residence and where the vehicle is
11 usually kept, garaged, or stored during the night
12 and on weekends and holidays, and shall not issue
13 a state registration certificate to the owner of a
14 vehicle on which a local vehicle tax is due, until
15 the local vehicle tax is paid.

16 Payment of a local vehicle tax shall be evidenced
17 by a stamp on the state registration certificate and
18 by issuance of a sticker, decal, or tag. The director
19 of the department of transportation shall prescribe
20 by rule the form of the sticker, decal, or tag, a
21 reasonable method of prorating local vehicle taxes
22 on vehicles originally registered for part of a year
23 only, and a reasonable method for refunding part of
24 local vehicle taxes when a refund of a state
25 registration fee is due under section three hundred
26 twenty-one point one hundred twenty-six (321.126)
27 of the Code.

28 Unpaid local vehicle taxes are a lien upon the
29 vehicle on which they are due. Penalties for late
30 payment which are comparable to the penalties for
31 late payment of state registration fees shall be
32 imposed by the ordinance or levy imposing a local
33 vehicle tax. Willful violation of a local vehicle
34 tax ordinance is a simple misdemeanor.

35 Sec. 12. NEW SECTION. LOCAL INCOME TAX. An
36 annual local income tax may be imposed on every
37 individual resident taxpayer at the rate determined
38 by the election imposing the tax of the taxpayer's
39 computed state individual income tax for the tax year.

40 Sec. 13. NEW SECTION. ADMINISTRATION. A local
41 income tax shall be imposed January first and any
42 discontinuance of the tax shall be as of December
43 thirty-first.

44 The director of revenue shall administer the
45 provisions of a local income tax as nearly as possible
46 in conjunction with the administration of state income
47 tax laws. The director shall provide appropriate
48 forms, or provide on the regular state tax forms,
49 for reporting local income tax liability.

50 An ordinance of a city council or resolution of

1 a county board of supervisors imposing a local income
2 tax shall adopt by reference the applicable provisions
3 of the appropriate sections of chapter four hundred
4 twenty-two (422), division one (I) of the Code. All
5 powers of the director and requirements of the director
6 in administering the state income tax law are
7 applicable to the administration of a local income
8 tax, as applicable, including but not limited to
9 powers to impose interest and penalties, and
10 requirements for hearing and appeal. Local officials
11 shall confer with the director of revenue and obtain
12 the director's assistance in drafting the ordinance
13 or resolution imposing a local income tax. A certified
14 copy of the ordinance or resolution imposing a local
15 income tax shall be filed with the director as soon
16 as possible after passage.

17 The director, in consultation with local officials,
18 shall collect and account for a local income tax.
19 The director shall retain for the use of the department
20 of revenue one percent of all local income tax, to
21 cover administrative expense, and shall credit
22 remaining local income taxes to a "local income tax
23 fund" for that city hereby established in the office
24 of the treasurer of state.

25 Sec. 14. NEW SECTION. PAYMENT TO LOCAL
26 GOVERNMENTS. The treasurer of state shall remit
27 quarterly to the cities and counties which have imposed
28 a local income tax and which have qualified under
29 section five (5) or six (6) of this Act their share
30 of the amount of revenue in the local income tax fund.
31 The local income tax fund is appropriated for this
32 purpose.

33 Sec. 15. Section three hundred twenty-one point
34 thirty (321.30), Code 1979, is amended by adding the
35 following new subsection:

36 NEW SUBSECTION. If any local vehicle taxes due
37 have not been paid.

38 Sec. 16. Section three hundred twenty-one point
39 one hundred thirty (321.130), Code 1979, is amended
40 to read as follows:

41 321.130 FEES IN LIEU OF TAXES. The registration
42 fees imposed by this chapter upon private passenger
43 motor vehicles or semitrailers shall be in lieu of
44 all state taxes, ~~general~~ and local personal property
45 taxes based upon assessed valuation, to which motor
46 vehicles or semitrailers may be subject, and if a
47 motor vehicle or semitrailer ~~shall~~ has been
48 registered at any time under this chapter it shall
49 not thereafter be subject to a personal property tax
50 based upon assessed valuation, unless ~~such~~ the motor

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1 vehicle or semitrailer ~~shall have~~ has been in storage
2 continuously as an unregistered motor vehicle or
3 semitrailer during the preceding registration year.

4 Sec. 17. Section four hundred twenty-two point
5 seventy-two (422.72), subsection one (1), Code 1979,
6 as amended by Acts of the Sixty-eighth General
7 Assembly, 1979 Session, chapter ninety-four (94),
8 section two (2), is amended to read as follows:

9 1. It shall be unlawful for the director, or any
10 person having an administrative duty under this
11 chapter, or any present or former officer or other
12 employee of the state authorized by the director to
13 examine returns, to divulge or to make known in any
14 manner whatever, the business affairs, operations,
15 or information obtained by an investigation under
16 this chapter of records and equipment of any person
17 or corporation visited or examined in the discharge
18 of official duty, or the amount or source of income,
19 profits, losses, expenditures or any particular
20 thereof, set forth or disclosed in any return, or
21 to permit any return or copy thereof or any book
22 containing any abstract or particulars thereof to
23 be seen or examined by any person except as provided
24 by law. However, the director may authorize
25 examination of ~~such~~ state returns and other state
26 information which is confidential under this section,
27 if a reciprocal arrangement exists, by tax officers
28 of another state or the federal government. The
29 director may, by rules adopted pursuant to chapter
30 17A, authorize examination of state information and
31 returns by other officers or employees of this state
32 or by Iowa city or county officials, if the city or
33 county has imposed a local tax, to the extent required
34 by their official duties and responsibilities.
35 Disclosure of state information to tax officers of
36 another state shall be limited to those disclosures
37 which have a tax administrative purpose and only to
38 officers of those states which have laws that are
39 as strict as the laws of this state protecting the
40 confidentiality of ~~such~~ the returns and information.
41 The director shall place upon the state tax form a
42 notice to the taxpayer that state tax information
43 may be disclosed to tax officials of another state
44 or of the United States for tax administrative
45 purposes. The department shall not authorize the
46 examination of tax information by officers and
47 employees of this state, another state, or by Iowa
48 city or county officials, if the city or county has
49 imposed a local tax, or of the United States if the
50 officers or employees would otherwise be required

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1 to obtain a judicial order to examine the information
2 if it were to be obtained from another source, and
3 if the purpose of the examination is other than for
4 tax administration. Nothing in this subsection shall
5 prevent the department from authorizing the examination
6 of state returns and state information when provided
7 under the provisions of section 252B.9. This
8 subsection shall prevail over the provisions of any
9 general law of this state relating to public records."
10 2. Amend the title page, line 1, by inserting
11 after the word "taxation" the words "by providing
12 property tax relief through local option taxes,".
13 3. Renumber sections and correct internal
14 references as are necessary in accordance with this
15 amendment.

S-5036 FILED

BY LOWELL L. JUNKINS

FEBRUARY 1, 1980

RULED OUT OF ORDER (p. 257)

S-5037

1 Amend House File 2072, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 1, by inserting before line 1 the following
4 new section:

5 "Section 1. Section four hundred twenty-one point
6 thirty (421.30), Code 1979, is amended to read as
7 follows:

8 421.30 REASSESSMENT EXPENSE FUND.

9 1. There is created in the office of the treasurer
10 of state a "reassessment expense fund" for the purpose
11 of providing ~~loans~~ funds to a city and county
12 conference board for conducting reassessments of
13 property. There is appropriated to the reassessment
14 expense fund from the general fund of the state from
15 any unappropriated funds in the general fund of the
16 state such funds as are necessary to carry out the
17 provisions of this section, section 421.17, subsection
18 20, and the last paragraph of section 441.19, subject
19 to the approval of the state comptroller. Repayment
20 of loans made for reassessments completed on or before
21 July 1, 1980 shall be credited to the fund. The
22 reassessment expense fund shall pay all costs of
23 reassessments completed after July 1, 1980.

24 2. There is created a reassessment expense fund
25 committee composed of the director of revenue, the
26 state comptroller, and the chairperson of the state
27 board of tax review. The committee shall maintain
28 and administer the reassessment expense fund created
29 pursuant to subsection 1.

30 3. Within sixty days of the receipt of an order
31 of the director to reassess all or part of the property
32 in an assessing jurisdiction, the conference board
33 and assessor of the assessing jurisdiction shall
34 submit to the director a detailed proposal for
35 complying with the order. The proposal shall contain
36 specifications for the completion of the reassessment
37 project, ~~the financial condition of the assessing~~
38 ~~jurisdiction,~~ and any other information deemed
39 necessary by the director.

40 4. Each proposal submitted pursuant to subsection
41 3 shall be reviewed by the director to determine if
42 the proposal will result in compliance with the
43 reassessment order. The director shall approve or
44 disapprove each proposal and shall notify the
45 appropriate conference board and assessor of the
46 decision. If the director determines the proposal
47 will not result in compliance with the reassessment
48 order, the notice shall contain the reasons for the
49 director's determination and an explanation as to
50 how the proposal shall be corrected in order to be

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1 approved by the director.

2 5. If the notice to the conference board and the
3 assessor states that the director has determined that
4 the proposal will result in compliance with the
5 reassessment order, the conference board may, ~~if it~~
6 ~~lacks the financial resources~~ shall proceed to comply
7 in all respects with the reassessment order, and file
8 with the committee an application for a loan the
9 necessary funds from the reassessment expense fund.
10 The loan funds provided to the conference board may
11 shall be for all or part of the funds required to
12 comply with the reassessment order. ~~The committee~~
13 ~~shall approve, amend and approve, or reject each~~
14 ~~application and notify the conference board and~~
15 ~~assessor of its decision. If the application is~~
16 ~~amended or rejected, the notice shall contain the~~
17 ~~committee's reasons for the amendment or rejection.~~

18 6. Upon the committee's approval of ~~the advancement~~
19 ~~of funds~~ from the reassessment expense fund, the
20 committee shall certify to the appropriate conference
21 board and assessor a schedule for disbursing the loan
22 funds to the assessing jurisdiction's appraiser fund
23 authorized by section 441.50. The schedule shall
24 provide for the disbursement of funds over the period
25 of the reassessment project, except that ten percent
26 of the funds shall not be disbursed until the project
27 is completed. ~~The conference board shall at its next~~
28 ~~opportunity levy pursuant to section 441.50 sufficient~~
29 ~~funds for purposes of repaying the loan made from~~
30 ~~the reassessment expense fund. The amount levied~~
31 ~~shall be sufficient to repay the loan in semiannual~~
32 ~~installments during the course of the reappraisal~~
33 ~~project as specified by a repayment schedule~~
34 ~~established by the committee. The repayment schedule~~
35 ~~shall provide for repayment of the loan not later~~
36 ~~than one year following the completion of the~~
37 ~~reassessment. Semiannual repayments of the proceeds~~
38 ~~of the loan shall be made on or before December 1~~
39 ~~and May 1 of each year.~~

40 7. Any reassessment of property ordered by the
41 director, ~~whether or not~~ undertaken with funds provided
42 in this section, shall be conducted by the assessor
43 in accordance with the Iowa real property appraisal
44 manual issued under authority of section 421.17,
45 subsection 18, the assessment laws of this state,
46 and any reassessment order issued by the director
47 under authority of this chapter. The conference board
48 may employ appraisers or other expert help to assist
49 the assessor in completing the reassessment, except
50 that no conference board receiving funds under this

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1 section shall enter into a contract for the
2 reassessment of property until the board's proposal
3 for completing the reassessment is approved. The
4 director shall supervise the conduct of all
5 reassessments of property and issue to the assessor
6 or conference board such instructions, directives,
7 or orders as are necessary to ensure compliance with
8 the provisions of this section and the assessment
9 laws of this state.

10 8. The assessor of each assessing jurisdiction
11 receiving funds under this section shall submit to
12 the director, in the form and manner prescribed by
13 the director, reports showing the progress of the
14 reassessment. If the director determines that a
15 reassessment undertaken with funds provided in this
16 section is not being conducted in accordance with
17 the proposal submitted pursuant to subsection 3, the
18 director shall notify the appropriate conference board
19 and assessor and the committee of the director's
20 determination. The notice shall contain an explanation
21 as to how the deficiencies in the reassessment may
22 be corrected. If the deficiencies noted by the
23 director are not corrected within sixty days of the
24 date the assessor and conference board are notified
25 of their existence, the committee shall suspend
26 payments from the reassessment expense fund until
27 the director notifies the committee that the
28 deficiencies have been corrected.

29 9. Funds obtained under this section shall be
30 used only to conduct reassessments of property as
31 approved and conducted pursuant to this section."

S-5037 FILED
FEBRUARY 1, 1980

BY C.W. HUTCHINS
NORMAN RODGERS

RULED OUT OF ORDER (p. 258)

HOUSE FILE 2072

S-5033

1 Amend the Committee on Ways and Means amendment,
2 S-5013, to House File 2072, as amended, passed, and
3 reprinted by the House, as follows:
4 1. Page 1, line 31, by inserting after the period
5 the words "The provisions of this paragraph shall
6 apply only to cities with a population of two thousand
7 or less."

S-5033 FILED & WITHDRAWN (*p. 255*) BY LOWELL L. JUNKINS
FEBRUARY 1, 1980

HOUSE FILE 2072

S-5034

1 Amend House File 2072 as amended, passed and
2 reprinted by the House as follows:
3 1. Page 6, by striking line 33 and inserting in
4 lieu thereof the words "as of January 1, 1981, such
5 agricultural structures and".
6 2. Page 7, by striking lines 1 and 2 and inserting
7 in lieu thereof the words "and agricultural structures
8 and agricultural dwellings shall each constitute a
9 separate class of property. Agricultural dwellings
10 shall be valued as rural".

S-5034 FILED *Last 2/4 (p. 283)* BY JOANN ORR
FEBRUARY 1, 1980 NORMAN G. RODGERS

HOUSE FILE 2072

S-5038

1 Amend the Bisenius amendment S-5025 to House File
2 2072 as amended, passed, and reprinted by the House
3 as follows:
4 1. Page 1, line 25 by inserting after the word
5 "property" the words "except agricultural property".

S-5038 FILED *Adopted 2/4 (p. 282)* BY STEPHEN W. BIENIUS
FEBRUARY 1, 1980

HOUSE FILE 2072

S-5040

1 Amend House File 2072 as amended, passed, and
2 reprinted by the House as follows:
3 1. Page 14, by inserting after line 11 the
4 following new section:
5 "6. The impact of tax exempt state property
6 within political subdivisions and the feasibility
7 of a tax reimbursement program to compensate pol-
8 itical subdivisions for the loss of tax revenues
9 because of the tax exempt status of state property."

S-5040 FILED *Last 2/4 (p. 289)* BY ARTHUR A. SMALL, JR.
FEBRUARY 1, 1980

S-5042

1 Amend House File 2072 as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, by inserting before line 1 the follow-
4 ing:
5 "Section 1. Chapter four hundred twenty-two (422),
6 Code 1979, is amended by adding sections two (2)
7 through thirteen (13) of this Act as a new division.
8 Sec. 2. NEW SECTION. DEFINITIONS. As used in
9 this division unless the context otherwise requires:
10 1. "Income" means the sum of Iowa net income as
11 defined in section four hundred twenty-two point seven
12 (422.7) of the Code, plus all of the following to
13 the extent not already included in Iowa net income:
14 Capital gains, alimony, child support money, cash
15 public assistance and relief, the gross amount of
16 any pension or annuity, including but not limited
17 to railroad retirement benefits, all payments received
18 under the federal Social Security Act, and all military
19 retirement and veterans' disability pensions, interest
20 received from the state or federal government or any
21 of its instrumentalities, workers' compensation and
22 the gross amount of disability income or "loss of
23 time" insurance. "Income" does not include gifts
24 from nongovernmental sources, or surplus foods or
25 other relief in kind supplied by a governmental agency
26 or renter's relief granted under this division.
27 2. "Household" means a claimant, spouse, and any
28 person related to the claimant or spouse by blood,
29 marriage, or adoption and living with the claimant
30 for more than six months during the tax year. "Living
31 with" refers to domicile and does not include a
32 temporary visit.
33 3. "Household income" means all income of the
34 claimant and the claimant's spouse in a household
35 and actual monetary contributions received from any
36 other household member during their respective twelve-
37 month income tax accounting periods ending with or
38 during the tax year.
39 4. "Homestead" means the dwelling located in this
40 state which is rented and actually used as a home
41 by the claimant during all or part of the tax year
42 or the last dwelling rented and actually used as a
43 home by the claimant in the tax year, and so much
44 of the land surrounding it, not exceeding one acre,
45 as is reasonably necessary for use of the dwelling
46 as a home, and may consist of a part of a multidwelling
47 or multipurpose building and a part of the land upon
48 which it is built. It does not include personal
49 property except that a mobile home may be a homestead.
50 Any dwelling or a part of a multidwelling or

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1 multipurpose building which is exempt from property
2 taxation shall not qualify as a homestead under the
3 provisions of this division.

4 5. "Claimant" means a person filing a claim for
5 credit under this division who has attained the age
6 of eighteen years on or before the last day of the
7 tax year, has not been or will not be claimed as a
8 dependent by another person on a state or federal
9 income tax return filed for any part of the tax year
10 and was domiciled in this state during the entire
11 tax year and is domiciled in this state at the time
12 the claim is filed. "Claimant" does not include any
13 person who has previously received or has filed for
14 any part of the tax year a claim for a credit for
15 property taxes due or a claim for reimbursement for
16 rent constituting property taxes paid under sections
17 four hundred twenty-five point sixteen (425.16) through
18 four hundred twenty-five point thirty-nine (425.39)
19 of the Code. The claimant shall have rented a dwelling
20 actually used as a home by the claimant for more than
21 six months during any part of the tax year. When
22 two persons of a household are able to meet the
23 qualifications for a claimant, they may determine
24 between them who will be the claimant. If they are
25 unable to agree, the matter shall be referred to the
26 director of revenue not later than the time required
27 for filing a claim for credit under this division
28 and the director's decision shall be final.

29 6. "Tax year" means the tax year as defined in
30 section four hundred twenty-two point four (422.4)
31 of the Code.

32 Sec. 3. NEW SECTION. CREDIT AND REIMBURSEMENT.
33 Subject to the limitations provided in this division,
34 a claimant may file claim for an income tax credit
35 for the renting of the claimant's homestead during
36 the tax year. After audit or certification by the
37 director, the credit shall be deducted from the
38 claimant's income tax liability for that tax year.
39 If the credit allowed exceeds the claimant's tax
40 liability, any excess shall be paid to the claimant
41 in the same manner as individual income tax refunds
42 are paid under this chapter. Any payments made
43 pursuant to this section shall be from the state
44 general fund.

45 Sec. 4. NEW SECTION. FILING DATE. A claim for
46 an income tax credit for the renting of the claimant's
47 homestead shall not be allowed unless the claim is
48 filed with the claimant's income tax return for the
49 tax year and within the time required for the filing
50 of such return as provided in section four hundred

1 twenty-two point twenty-one (422.21) of the Code.
2 If an income tax return is not required to be filed,
3 then the claim shall be filed within the time required
4 for the filing of income tax returns for the tax year
5 as provided in section four hundred twenty-two point
6 twenty-one (422.21) of the Code.

7 Sec. 5. NEW SECTION. ONE CLAIMANT PER HOUSEHOLD.
8 Only one claimant per household per year is entitled
9 to a credit under this Act.

10 Sec. 6. NEW SECTION. SCHEDULE FOR CLAIMS FOR
11 CREDIT. The amount of any claim for an income tax
12 credit shall be determined in accordance with the
13 following schedule:

14 If the household	Amount allowed as an
15 income is:	15 income tax credit:
16 \$.00 - 3,999.99	\$100
17 4,000 - 4,999.99	90
18 5,000 - 5,999.99	80
19 6,000 - 6,999.99	60
20 7,000 - 7,999.99	40
21 8,000 - 8,999.99	30
22 9,000 - 9,999.99	25
23 10,000 -15,000.00	20

24 Sec. 7. NEW SECTION. ADMINISTRATION. The director
25 of revenue shall make available suitable forms with
26 instructions for claimants or provide on regular
27 individual income tax returns for the filing of a
28 claim under this division.

29 Sec. 8. NEW SECTION. AUDIT OF CLAIM. If on the
30 audit of any claim for credit under this division,
31 the director determines the amount of the claim to
32 have been incorrectly calculated or that the claim
33 is not allowable, the director shall recalculate the
34 claim and notify the claimant of the recalculation
35 or denial and the reasons for it. The director shall
36 not adjust any claim after the period provided in
37 section four hundred twenty-two point twenty-five
38 (422.25) of the Code. If the claim for credit has
39 resulted in a payment to the claimant, the amount
40 so paid may be recovered in the same manner that
41 income taxes are assessed and collected under sections
42 four hundred twenty-two point twenty-five (422.25),
43 four hundred twenty-two point twenty-six (422.26)
44 and four hundred twenty-two point thirty (422.30)
45 of the Code. The recalculation of the claim is final
46 unless appealed as provided in section eleven (11)
47 of this Act. The provisions of section four hundred
48 twenty-two point seventy (422.70) of the Code are
49 applicable with respect to this division.

50 Sec. 9. NEW SECTION. FALSE CLAIM--PENALTY. A

1 person making a false claim for the purpose of
2 obtaining the credit provided for in this division
3 or who knowingly receives a payment under this division
4 without being legally entitled to it is guilty of
5 a simple misdemeanor. The claim for credit shall
6 be disallowed in full and if the claim for credit
7 has resulted in a payment to the claimant, the amount
8 so paid may be recovered by assessment in the manner
9 that income taxes are assessed pursuant to sections
10 four hundred twenty-two point twenty-six (422.26)
11 and four hundred twenty-two point thirty (422.30)
12 of the Code. The director of revenue shall send a
13 notice of disallowance of the claim.

14 . Sec. 10. NEW SECTION. NOTICES. Section four
15 hundred twenty-two point twenty-five (422.25),
16 subsection one (1) of the Code applies to all notices
17 under this division.

18 Sec. 11. NEW SECTION. APPEALS. A person
19 aggravated by an act or decision of the director of
20 revenue or the department of revenue under this
21 division has the same rights of appeal and review
22 as provided in sections four hundred twenty-one point
23 one (421.1) and four hundred twenty-two point twenty-
24 nine (422.29) of the Code and the rules of the
25 department of revenue.

26 Sec. 12. NEW SECTION. DISALLOWANCE OF CERTAIN
27 CLAIMS. A claim for credit shall be disallowed if
28 the department finds that the claimant is renting
29 his or her homestead primarily for the purpose of
30 receiving benefits under this division.

31 Sec. 13. NEW SECTION. RULES. The director of
32 revenue shall adopt rules in accordance with chapter
33 seventeen A (17A) of the Code for the interpretation
34 and proper administration of this division, including
35 rules to prevent and disallow duplication of benefits
36 and to prevent an unreasonable hardship or advantage
37 to any person.

38 Sec. 14. Section four hundred twenty-two point
39 twelve (422.12), unnumbered paragraph one (1), Code
40 1979, as the section is amended by Acts of the Sixty-
41 eighth General Assembly, 1979 Session, chapter ninety-
42 three (93), section six (6), is amended to read as
43 follows:

44 There shall be deducted from but not to exceed
45 the tax, except as provided in section fifteen (15)
46 of this Act, after the same shall have been computed
47 as provided in this division, the following:

48 Sec. 15. Section four hundred twenty-two point
49 twelve (422.12), Code 1979, as the section is amended
50 by Acts of the Sixty-eighth General Assembly, 1979

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1 Session, chapter ninety-three (93), section six (6),
2 is amended by adding the following new subsection:
3 NEW SUBSECTION. The renter's credit provided for
4 under the provisions of sections two (2) through
5 thirteen (13) of this Act. This credit shall be
6 deducted after the deduction of the credits in
7 subsections one (1) and two (2) of this section.
8 If the deduction of this credit exceeds the tax
9 liability, the excess shall be paid to the individual
10 in the same manner as individual income tax refunds
11 are paid under this chapter."

12 2. Page 11, by inserting after line 11 the follow-
13 ing:

14 "Sec. 23. Section four hundred forty-two point
15 fifteen (442.15), unnumbered paragraph two (2), Code
16 1979, as the section is amended by Acts of the Sixty-
17 eighth General Assembly, 1979 Session, chapter one
18 hundred six (106), section thirteen (13), is amended
19 to read as follows:

20 The school district income surtax shall be imposed
21 on the state individual income tax for the calendar
22 year during which the school's budget year begins,
23 or for a taxpayer's fiscal year ending during the
24 second half of that calendar year or the first half
25 of the succeeding calendar year, and shall be imposed
26 on all individuals residing in the school district
27 on the last day of the applicable tax year. As used
28 in this section, "state individual income tax" means
29 the tax computed under section 422.5, less the
30 deductions allowed in subsections one (1) and two
31 (2) of section 422.12.

32 Sec. 24. Section four hundred forty-two point
33 eighteen (442.18), unnumbered paragraphs one (1) and
34 two (2), Code 1979, are amended to read as follows:

35 The director of revenue shall deposit all moneys
36 received or computed, whichever amount is greater,
37 as school district income surtax to the credit of
38 each district from which the moneys are received or
39 computed, in a "school district income surtax fund"
40 which is established in the office of the treasurer
41 of state.

42 Effective July 1, 1980, the director of revenue
43 shall deposit all school district income surtax moneys
44 received or computed on or before November 1 first
45 of the year following the close of the school budget
46 year for which the surtax is imposed to the credit
47 of each district from which the moneys are received
48 or computed in the school district income surtax fund.
49 All school district surtax moneys received, computed
50 or refunded after November 1 first of the year

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1 following the close of the school budget year for
2 which the surtax is imposed shall be deposited in
3 or withdrawn from the general fund of the state and
4 shall be considered part of the cost of administering
5 the school district surtax.

6 Sec. 25. Section four hundred forty-two point
7 twenty-six (442.26), unnumbered paragraph one (1),
8 Code 1979, as the section is amended by Acts of the
9 Sixty-eighth General Assembly, 1979 Session, chapter
10 one hundred six (106), section fifteen (15), is amended
11 to read as follows:

12 442.26 APPROPRIATIONS. There is hereby
13 appropriated each year from the general fund of the
14 state an amount necessary to pay the state school
15 foundation aid and an amount equal to the difference
16 between the amount of the school district income
17 surtax as computed and the amount actually received,
18 if the amount computed is greater, for each school
19 district in the state which has imposed a school
20 district income surtax."

21 3. Page 13, by inserting after line 10 the follow-
22 ing:

23 "Sec. _____. Sections one (1) through fifteen (15)
24 and twenty-three (23) through twenty-five (25) of
25 this Act are retroactive to January 1, 1980 for tax
26 years beginning on or after January 1, 1980 and to
27 this extent are retroactive."

28 4. Title page, line 9, by inserting after the
29 word "plant" the words ", by providing a renter's
30 credit".

31 5. Renumbering and changing internal references
32 as required by this amendment.

S-5042 FILED

February 1, 1980

RULED OUT OF ORDER (p. 258)

BY BOB RUSH

C. W. HUTCHINS

ARTHUR A. SMALL, JR.

JOHN SCOTT

GEORGE KINLEY

WM. D. PALMER

JAMES GALLAGHER

PATRICK J. DELUHERY

JOANN ORR

JAMES CALHOON

JOE BROWN

TOM SLATER

ROBERT CARR

ALVIN V. MILLER

CHARLES P. MILLER

- 1 Amend House File 2072, as amended, passed, and
2 reprinted by the House, as follows:
- 3 1. Page 12, by inserting after line 28 the
4 following new sections:
- 5 "Sec. 14. NEW SECTION. DEFINITIONS. As used
6 in this Act, unless the context otherwise requires:
- 7 1. "Political subdivision" means a political
8 subdivision of this state that has the power to certify
9 or levy a property tax.
- 10 2. "State property" means real estate owned by
11 the state or a department agency of the state.
- 12 Sec. 15. NEW SECTION. PROPERTY TAX REIMBURSEMENT
13 FOR STATE PROPERTY.
- 14 1. If the assessed value of state property within
15 a political subdivision is ten percent or more of
16 the total assessed value of all taxable real estate
17 within that political subdivision, the state shall
18 provide funds to replace the tax revenue which would
19 be levied and collected if the state property was
20 not tax exempt. The amount of tax reimbursement shall
21 be equal to that part of the total budget of a
22 political subdivision to be raised from property
23 taxation multiplied by the percentage that the assessed
24 value of the state property is of the total assessed
25 value of all taxable real estate in the political
26 subdivision.
- 27 2. The state comptroller shall administer the
28 property tax reimbursement program. The state
29 comptroller shall determine the amount of tax funds
30 which would be available to the eligible political
31 subdivisions if the state property was not tax exempt
32 and shall determine the amount of reimbursement to
33 which each political subdivision is entitled. The
34 state comptroller shall prepare warrant checks payable
35 to the eligible political subdivisions entitled to
36 the funds after making the determinations required
37 by this section.
- 38 3. Upon determining the amount of tax reimbursement
39 payable to each eligible political subdivision, the
40 state comptroller shall certify a list of the eligible
41 political subdivisions and the amount of tax
42 reimbursement to be paid to the county auditor of
43 the county in which the political subdivision is
44 located. The county auditor shall reduce that part
45 of the total budget of the eligible political
46 subdivision to be raised from property taxation by
47 the amount of the tax reimbursement.
- 48 Sec. 16. NEW SECTION. APPROPRIATIONS. There
49 is appropriated from the general fund of the state
50 to the state comptroller, out of any funds not

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- 1 otherwise appropriated, a sum sufficient to make the
2 tax reimbursement payments provided under this Act
3 to the eligible political subdivisions during the
4 fiscal year beginning July 1, 1980 and each succeeding
5 fiscal year."
6 2. Page 13, by inserting after line 29 the
7 following new section:
8 "Sec. _____. The provisions of sections fourteen
9 (14), fifteen (15), and sixteen (16) of this Act are
10 effective January first following its enactment."
11 3. Amend the title, line 9, by inserting after
12 the word "plant" the words ", by providing property
13 tax reimbursement to political subdivisions in which
14 the assessed valuation of state property is ten percent
15 or more of the assessed valuation of all taxable real
16 estate in the political subdivision, making an
17 appropriation,".
18 4. Renumber sections and correct internal references
19 as are necessary in accordance with this amendment.

S-5044 FILED *Subd out of*
FEBRUARY 1, 1980 *order 2/4(283)* BY ARTHUR A. SMALL, JR.

HOUSE FILE 2072

S-5049

- 1 Amend House File 2072, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Amend the title, line 7, by inserting after
4 the word "purposes," the words "by establishing
5 agricultural dwellings as one class of property and
6 combining agricultural buildings with agricultural
7 land into another class of property,".

S-5049 FILED *Adopted 2/4(280)* BY NORMAN G. RODGERS
FEBRUARY 1, 1980

HOUSE FILE 2072

S-5046

1 Amend the Committee amendment, S-5013, to House
2 File 2072, as amended, passed and reprinted by the
3 House as follows:

4 1. Page 1, line 4, by striking the word "section"
5 and inserting in lieu thereof the word "sections".

6 2. Page 1, by inserting after line 4 the follow-
7 ing:

8 "Sec. _____. Section twenty-four point seventeen
9 (24.17), unnumbered paragraph one (1), Code 1979,
10 is amended to read as follows:

11 The local budgets of the various political
12 subdivisions shall be certified by the chairman of
13 the certifying board or levying board, as the case
14 may be, in duplicate to the county auditor not later
15 than March 15 of each year unless a city or county
16 holds a special levy election, in which case
17 certification shall not be later than fourteen days
18 following the special levy election, on blanks
19 prescribed by the state board, and according to the
20 rules and instruction which shall be furnished all
21 certifying and levying boards in printed form by the
22 state board or city finance committee in the case
23 of cities."

24 3. Page 1, by inserting after line 31 the follow-
25 ing:

26 "Sec. _____. Section twenty-four point forty-eight
27 (24.48), Code 1979, as amended by Acts of the Sixty-
28 eighth General Assembly, 1979 Session, chapter twenty-
29 five (25), section one (1), is amended by adding the
30 following new unnumbered paragraphs:

31 NEW UNNUMBERED PARAGRAPH. The city finance
32 committee shall have officially notified any city
33 of its approval, modification or rejection of the
34 city's request for a suspension of the statutory
35 property tax levy limitation prior to thirty-five
36 days before March fifteenth.

37 NEW UNNUMBERED PARAGRAPH. The state appeals board
38 shall have officially notified any county of its
39 approval, modification or rejection of the county's
40 request for a suspension of the statutory property
41 tax levy limitation prior to thirty-five days before
42 March fifteenth.

43 Sec. _____. Section three hundred eighty-four point
44 twelve (384.12), Code 1979, is amended by adding the
45 following new subsection:

46 NEW SUBSECTION. A tax that exceeds any tax levy
47 limit within this chapter, provided; the question
48 has been submitted at a special levy election and
49 received a simple majority of the votes cast on the
50 proposition to authorize the enumerated levy limit

1 to be exceeded for the proposed budget year.

2 a. The election may be held as specified herein
3 if notice is given by the city council, not later
4 than February fifteenth, to the county commissioner
5 of elections that the election is to be held.

6 b. An election under this subsection shall be
7 held on the second Tuesday in March and be conducted
8 by the county commissioner of elections in accordance
9 with the law.

10 c. The proposition to be submitted shall be
11 substantially in the following form:

12 Vote for only one of the following:

13 (1) Shall the city of _____ levy a
14 _____ (name of city)

15 tax for the purpose of _____
16 _____ (state purpose of levy election)

17 at a rate of _____ which will provide \$ _____
18 _____ (rate) _____ (amount)

19 (2) The city of _____ shall continue
20 under the maximum rate of _____ providing

21 \$ _____
22 _____ (amount)

23 d. The commissioner of elections conducting the
24 election shall notify the city officials and other
25 county auditors where applicable, of the results
26 within two days of the canvass which shall be held
27 beginning at one o'clock on the second day follow-
28 ing the special levy election.

29 e. Notice of the election shall be published twice
30 in accordance with the provisions of section three
31 hundred sixty-two point three (362.3) of the Code,
32 except that the first such notice shall be given at
33 least two weeks before the election.

34 f. The cost of the election shall be borne by
35 the city.

36 g. The election provisions of this subsection
37 shall supersede other provisions for elections only
38 to the extent necessary to comply with the provisions
39 hereof.

40 h. The provisions of this subsection apply to
41 all cities, however organized, including special
42 charter cities which may adopt ordinances where
43 necessary to carry out these provisions.

44 i. The council shall certify the city's budget
45 with the tax askings not exceeding the amount approved
46 by the special levy election."

47 4. By striking page 1, line 50 to page 2, line
48 28 and inserting in lieu thereof the following:

49 "Sec. _____. Section four hundred forty-four point
50 nine (444.9), subsection two (2), Code 1979, is amended

S-5046

Page 3

1 by adding the following new unnumbered paragraph:

2 NEW UNNUMBERED PARAGRAPH. Any county may exceed
3 a tax levy limit contained in this chapter, provided;
4 the proposition has been submitted at a special levy
5 election and received a simple majority of the votes
6 cast on the proposition to authorize the enumerated
7 levy limit rate to be exceeded. The following pro-
8 visions shall prevail for special levy elections.

9 1. The election may be held as specified herein
10 if notice is given by the board of supervisors, not
11 later than February fifteenth, to the county
12 commissioner of elections that the election is to
13 be held.

14 2. An election under this subsection shall be
15 held on the second Tuesday in March and be conducted
16 by the county commissioner of elections in accordance
17 with the law.

18 3. The proposition to be submitted shall be
19 substantially in the following form:

20 Vote for only one of the following:

21 (1) Shall the county of _____ levy a
22 _____ (name of county)
23 tax for the purpose of _____
24 _____ (state purpose of levy election)
25 at a rate of _____ which will provide \$ _____.
26 _____ (rate) _____ (amount)

27 (2) The county of _____ shall continue
28 under the maximum rate of _____ providing
29 \$ _____.
30 _____ (amount)

31 4. The commissioner of elections conducting the
32 election shall notify the board of supervisors of
33 the results within two days of the canvass which shall
34 be held beginning at one o'clock on the second day
35 following the special levy election.

36 5. Notice of the special levy election shall be
37 published at least twice in a newspaper having general
38 circulation in the county prior to the date of the
39 special levy election. The first notice shall appear
40 as early as practicable after the county has decided
41 to seek a special levy.

42 6. Election provisions conflicting with the
43 provisions of the subsection shall not apply to a
44 special levy election."

S-5046 FILED & WITHDRAWN
FEBRUARY 1, 1980 (p. 260)

BY RICHARD F. DRAKE
RICHARD COMITO

HOUSE FILE 2072

S-5041

1 Amend House File 2072, as amended, passed, and
2 reprinted by the House as follows:

3 1. Page 13, by inserting after line 10 the
4 following new sections:

5 "Sec. _____. Acts of the Sixty-eighth General
6 Assembly, 1979 Session, chapter four (4), sections
7 four (4) and five (5), are amended to read as follows:
8 SEC. 4. There is appropriated from the general
9 fund of the state to the county government assistance
10 fund, established in section three hundred thirty-
11 four A point one (334A.1) of the Code, for each fiscal
12 year of the fiscal biennium beginning July 1, 1979
13 and ending June 30, 1981, the following amounts, or
14 so much thereof as may be necessary, to be used for
15 state assistance to counties, with distribution in
16 accordance with section three hundred thirty-four
17 A point two (334A.2) of the Code.

	1979-1980	1980-1981
	<u>Fiscal Year</u>	<u>Fiscal Year</u>
18	\$ 5,000,000	\$ 5,000,000
19		5,500,000
20		<u>5,500,000</u>

22 SEC. 5. There is appropriated from the general
23 fund of the state to the municipal assistance fund,
24 established in section four hundred five point one
25 (405.1) of the Code, for each fiscal year of the
26 fiscal biennium beginning July 1, 1979 and ending
27 June 30, 1981, the following amounts, or so much
28 thereof as may be necessary, to be used for state
29 assistance to municipalities, with distribution in
30 accordance with section four hundred five point one
31 (405.1) of the Code.

	1979-1980	1980-1981
	<u>Fiscal Year</u>	<u>Fiscal Year</u>
32	\$13,000,000	\$ 13,000,000
33		15,000,000
34		<u>15,000,000</u>

36 2. Amend the title, line 9, by inserting after
37 the word "plant" the words ", appropriating moneys
38 to the county assistance and municipal assistance
39 funds,".

S-5041 FILED

Filed out of order
2/4 (p. 284)

BY BOB RUSH
BOB CARR
TOM SLATER
JOANN ORR

February 1, 1980

HOUSE FILE 2072

S-5047

1 Amend the Committee amendment, S-5013, to House
2 File 2072, as amended, passed and reprinted by the
3 House as follows:

4 1. By striking page 1, line 48 through page 2,
5 line 28 and inserting in lieu thereof the following:

6 " _____. Page 12, by inserting after line 18 the
7 following:

8 "Sec. _____. Section twenty-four point seventeen
9 (24.17), unnumbered paragraph one (1), Code 1979,
10 is amended to read as follows:

11 The local budgets of the various political
12 subdivisions shall be certified by the chairman of
13 the certifying board or levying board, as the case
14 may be, in duplicate to the county auditor not later
15 than March 15 of each year unless a city or county
16 holds a special levy election, in which case
17 certification shall not be later than fourteen days
18 following the special levy election, on blanks
19 prescribed by the state board, and according to the
20 rules and instruction which shall be furnished all
21 certifying and levying boards in printed form by the
22 state board or city finance committee in the case
23 of cities.

24 Sec. _____. Section twenty-four point forty-eight
25 (24.48), Code 1979, as amended by Acts of the Sixty-
26 eighth General Assembly, 1979 Session, chapter twenty-
27 five (25), section one (1), is amended by adding the
28 following new unnumbered paragraphs:

29 NEW UNNUMBERED PARAGRAPH. The city finance
30 committee shall have officially notified any city
31 of its approval, modification or rejection of the
32 city's request for a suspension of the statutory
33 property tax levy limitation prior to thirty-five
34 days before March fifteenth.

35 NEW UNNUMBERED PARAGRAPH. The state appeals board
36 shall have officially notified any county of its
37 approval, modification or rejection of the county's
38 request for a suspension of the statutory property
39 tax levy limitation prior to thirty-five days before
40 March fifteenth.

41 Sec. _____. Section three hundred eighty-four point
42 twelve (384.12), Code 1979, is amended by adding the
43 following new subsection:

44 NEW SUBSECTION. A tax that exceeds any tax levy
45 limit within this chapter, provided; the question
46 has been submitted at a special levy election and
47 received a simple majority of the votes cast on the
48 proposition to authorize the enumerated levy limit
49 to be exceeded for the proposed budget year.

50 a. The election may be held as specified herein

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Page 2

1 if notice is given by the city council, not later
2 than February fifteenth, to the county commissioner
3 of elections that the election is to be held.

4 b. An election under this subsection shall be
5 held on the second Tuesday in March and be conducted
6 by the county commissioner of elections in accordance
7 with the law.

8 c. The proposition to be submitted shall be
9 substantially in the following form:

10 Vote for only one of the following:

11 Shall the city of _____ levy a
12 _____ (name of city) tax for the purpose of _____
13 _____ (state purpose of levy election)
14 at a rate of _____ which will provide \$ _____
15 _____ (rate) _____ (amount).

16 The city of _____ shall continue
17 under the maximum rate of _____ providing
18 \$ _____
19 _____ (amount).

20 d. The commissioner of elections conducting the
21 election shall notify the city officials and other
22 county auditors where applicable, of the results
23 within two days of the canvass which shall be held
24 beginning at one o'clock on the second day follow-
25 ing the special levy election.

26 e. Notice of the election shall be published twice
27 in accordance with the provisions of section three
28 hundred sixty-two point three (362.3) of the Code,
29 except that the first such notice shall be given at
30 least two weeks before the election.

31 f. The cost of the election shall be borne by
32 the city.

33 g. The election provisions of this subsection
34 shall supersede other provisions for elections only
35 to the extent necessary to comply with the provisions
36 hereof.

37 h. The provisions of this subsection apply to
38 all cities, however organized, including special
39 charter cities which may adopt ordinances where
40 necessary to carry out these provisions.

41 i. The council shall certify the city's budget
42 with the tax askings not exceeding the amount approved
43 by the special levy election.

44 Sec. _____. Section four hundred forty-four point
45 nine (444.9), subsection two (2), Code 1979, is amended
46 by adding the following new unnumbered paragraph:

47 NEW UNNUMBERED PARAGRAPH. Any county may exceed
48 a tax levy limit contained in this chapter, provided;
49 the proposition has been submitted at a special levy
50

1 election and received a simple majority of the votes
2 cast on the proposition to authorize the enumerated
3 levy limit rate to be exceeded. The following pro-
4 visions shall prevail for special levy elections.

5 1. The election may be held as specified herein
6 if notice is given by the board of supervisors, not
7 later than February fifteenth, to the county
8 commissioner of elections that the election is to
9 be held.

10 2. An election under this subsection shall be
11 held on the second Tuesday in March and be conducted
12 by the county commissioner of elections in accordance
13 with the law.

14 3. The proposition to be submitted shall be
15 substantially in the following form:

16 Vote for only one of the following:

17 Shall the county of _____ levy a
18 (name of county)
19 tax for the purpose of _____
20 (state purpose of levy election)
21 at a rate of _____ which will provide \$ _____.
22 (rate) (amount)

23 The county of _____ shall continue
24 under the maximum rate of _____ providing
25 \$ _____.
26 (amount)

27 4. The commissioner of elections conducting the
28 election shall notify the board of supervisors of
29 the results within two days of the canvass which shall
30 be held beginning at one o'clock on the second day
31 following the special levy election.

32 5. Notice of the special levy election shall be
33 published at least twice in a newspaper having general
34 circulation in the county prior to the date of the
35 special levy election. The first notice shall appear
36 as early as practicable after the county has decided
37 to seek a special levy.

38 6. Election provisions conflicting with the
39 provisions of the subsection shall not apply to a
40 special levy election."

S-5048

1 Amend House File 2072 as amended, passed and
2 reprinted by the House as follows:

3 1. Page 2, by inserting after line 23 the
4 following:

5 "Sec. _____. Section four hundred forty-one point
6 twenty-one (441.21), subsection one (1), unnumbered
7 paragraph two (2), Code 1979, as amended by Acts of
8 the Sixty-eighth General Assembly, 1979 Session,
9 chapter twenty-five (25), section three (3), is amended
10 by striking the paragraph.

11 Sec. _____. Section four hundred forty-one point
12 twenty-one (441.21), subsection one (1), Code 1979,
13 as amended by Acts of the Sixty-eighth General
14 Assembly, 1979 Session, chapter twenty-five (25),
15 sections three (3) and four (4), is amended by
16 inserting after unnumbered paragraph six (6) the
17 following new unnumbered paragraph:

18 NEW UNNUMBERED PARAGRAPH. Notwithstanding any
19 other provision of this section, the actual value
20 of residential property, commercial property,
21 industrial property, and property valued by the
22 department of revenue pursuant to chapters four hundred
23 twenty-eight (428), four hundred thirty-three (433),
24 four hundred thirty-four (434), four hundred thirty-
25 six (436), four hundred thirty-seven (437), and four
26 hundred thirty-eight (438) of the Code shall be
27 determined solely on the basis of productivity and
28 net earning capacity of that property on the basis
29 of its use as property of the class in which it is
30 assessed capitalized at a rate bearing the same ratio
31 that the seven percent capitalization rate for
32 agricultural property bears to the actual
33 capitalization rate of agricultural property."

34 2. Title page, line 4, by inserting after the
35 word "valuation" the words "based upon productivity
36 and earning capacity".

S-5048 FILED *Out of order* BY JOANN ORR
FEBRUARY 1, 1980 *2/4 (p. 28.)*

HOUSE FILE 2072

S-5052

1 Amend House File 2072 as amended, passed and
2 reprinted by the House as follows:

3 1. Page 13, by striking lines 30 through 35
4 and inserting in lieu thereof the following:
5 "NEW SECTION. The governor is directed to
6 appoint a committee of twelve members knowledgeable
7 about the question of taxes to make a comprehensive
8 study and recommend changes to the general assembly
9 by January, 1981. The study shall".

10 2. Page 14, by inserting after line 15 the
11 following new subsection:

12 "6. The impact of the failure to index the income
13 tax to adjust for inflation."

S-5052 FILED

BY ARTHUR A. SMALL, JR.

FEBRUARY 4, 1980

A - RULED OUT OF ORDER *with adoption of 5051*

B - ADOPTED (*p. 286*)

3- Reconsidered & Withdrawn 2/6 (333)

HOUSE FILE 2072

S-5053

1 Amend House File 2072 as amended, passed, and
2 reprinted by the House as follows:

3 1. Page 13, by inserting after line 10 the
4 following:

5 "Sec. _____. Notwithstanding the time limit
6 provisions of section twenty-four point seventeen
7 (24.17), unnumbered paragraph one (1), section twenty-
8 four point forty-eight (24.48), section three hundred
9 eighty-four point twelve (384.12), and section four
10 hundred forty-four point nine (444.9), subsection
11 two (2), of the Code as amended by this Act, a city
12 or county wishing to exceed a tax levy limit for the
13 fiscal year beginning July 1, 1980, shall notify the
14 county commissioner of elections not later than thirty
15 days following the effective date of this Act that
16 a special levy election is to be held and the city
17 or county holding such an election shall certify the
18 local budget to the county auditor not later than
19 fourteen days following the special levy election."

S-5053 FILED & ADOPTED (*285*) BY C. W. HUTCHINS

FEBRUARY 4, 1980

RICHARD DRAKE

HOUSE FILE 2072

S-5069

1 Amend House File 2072 as amended, passed and
2 reprinted by the House as follows:

3 1. Page 14, by inserting after line 11 the
4 following new subsection:

5 "6. The impact of the failure to index the
6 income tax to adjust for inflation."

S-5069 FILED & ADOPTED BY ARTHUR A. SMALL, JR.

FEBRUARY 6, 1980 (*333*)

HOUSE FILE 2072

S-5056
1 Amend House File 2072 as amended, passed, and
2 reprinted by the House as follows:
3 1. Page 14, by inserting after line 11 the
4 following new section:
5 "6. The impact of tax exempt property
6 within political subdivisions and the feasibility
7 of a tax reimbursement program to compensate pol-
8 itical subdivisions for the loss of tax revenues
9 because of the tax exempt status of property."

S-5056 FILED & LOST (p. 287) BY JOANN ORR
FEBRUARY 4, 1980

HOUSE FILE 2072

S-5055
1 Amend the Palmer amendment S-5051 to House File
2 2072 as amended, passed and reprinted by the House
3 as follows:
4 1. Page 1, by striking lines 13 through 17 and
5 inserting in lieu thereof the following: "each of
6 Iowa's congressional districts. The governor shall
7 appoint two members from each congressional district
8 from lists submitted by the chair of the republican
9 state party and the chair of the democratic state
10 party. This committee shall conduct".

S-5055 FILED & ADOPTED (p. 280) BY GEORGE R. KINLEY
FEBRUARY 4, 1980 BERL E. PRIEBE

HOUSE FILE 2072

S-5051
1 Amend House File 2072, as amended, passed and
2 reprinted by the House, as follows:
3 1. Page 13, by striking lines 30 through 34 and
4 inserting in lieu thereof the following:
5 "NEW SECTION. The legislative council is directed
6 to create a tax study committee to be composed of the
7 following members: The Lieutenant Governor is to
8 serve as chairman of this committee and the legislative
9 council shall appoint four members of the Senate and
10 four members of the House, two from each political
11 party, to serve on this committee. Twelve members
12 shall be appointed from the public at large, two from
13 each of Iowa's Congressional Districts. One member
14 from each Congressional District shall be appointed
15 by the Governor and one member from each Congressional
16 District shall be appointed by the chairman of the
17 Democratic State Party. This committee shall conduct
18 a comprehensive study".

S-5051 FILED BY WILLIAM D. PALMER
FEBRUARY 4, 1980
ADOPTED AS AMENDED by 5055 (p. 296)

SENATE AMENDMENT TO HOUSE FILE 2072

H-5144

- 1 Amend House File 2072, as amended, passed,
2 and reprinted by the House, as follows:
- 3 1. Page 8, line 8, by striking the word
4 "ten" and inserting in lieu thereof the word "eight".
5 2. Page 8, line 16, by striking the word
6 "Property" and inserting in lieu thereof the words
7 "For valuations established as of January 1, 1980,
8 and each year thereafter, property".
9 3. Page 11, line 26, by striking the words
10 "In any case where, in trans-".
11 4. Page 11, by striking lines 27 through
12 32 and inserting in lieu thereof the words "The county
13 auditor shall list the aggregate actual value and
14 the aggregate taxable value of all taxable property
15 within the county and each political subdivision on
16 the tax list".
17 5. Page 11, line 33, by striking the words
18 "onto the tax list".
19 6. Page 12, by inserting after line 18 the
20 following:
21 "Sec. ____ . Section twenty-four point
22 seventeen (24.17), unnumbered paragraph one (1), Code
23 1979, is amended to read as follows:
24 The local budgets of the various political
25 subdivisions shall be certified by the chairman of
26 the certifying board or levying board, as the case
27 may be, in duplicate to the county auditor not later
28 than March 15 of each year unless a city or county
29 holds a special levy election, in which case
30 certification shall not be later than fourteen days
31 following the special levy election, on blanks
32 prescribed by the state board, and according to the
33 rules and instruction which shall be furnished all
34 certifying and levying boards in printed form by the
35 state board or city finance committee in the case
36 of cities.
37 Sec. ____ . Section twenty-four point forty-
38 eight (24.48), Code 1979, as amended by Acts of the
39 Sixty-eighth General Assembly, 1979 Session, chapter
40 twenty-five (25), section one (1), is amended by
41 adding the following new unnumbered paragraphs:
42 NEW UNNUMBERED PARAGRAPH. The city finance
43 committee shall have officially notified any city
44 of its approval, modification or rejection of the
45 city's request for a suspension of the statutory
46 property tax levy limitation prior to thirty-five
47 days before March fifteenth.
48 NEW UNNUMBERED PARAGRAPH. The state appeals
49 board shall have officially notified any county of
50 its approval, modification or rejection of the county's

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1 request for a suspension of the statutory property
2 tax levy limitation prior to thirty-five days before
3 March fifteenth.

4 Sec. _____. Section three hundred eighty-four
5 point twelve (384.12), Code 1979, is amended by adding
6 the following new subsection:

7 NEW SUBSECTION. A tax that exceeds any tax
8 levy limit within this chapter, provided; the question
9 has been submitted at a special levy election and
10 received a simple majority of the votes cast on the
11 proposition to authorize the enumerated levy limit
12 to be exceeded for the proposed budget year.

13 a. The election may be held as specified
14 herein if notice is given by the city council, not
15 later than February fifteenth, to the county
16 commissioner of elections that the election is to
17 be held.

18 b. An election under this subsection shall
19 be held on the second Tuesday in March and be conducted
20 by the county commissioner of elections in accordance
21 with the law.

22 c. The proposition to be submitted shall
23 be substantially in the following form:

5159 24 Vote for only one of the following:

25 Shall the city of _____ levy a
26 (name of city)

5158 27 tax for the purpose of _____
28 (state purpose of levy election)

29 at a rate of _____ which will provide \$ _____.
30 (rate) (amount)

5159 31 The city of _____ shall continue
32 under the maximum rate of _____ providing
33 \$ _____.

5158 34 (amount)

35 d. The commissioner of elections conducting
36 the election shall notify the city officials and other
37 county auditors where applicable, of the results
38 within two days of the canvass which shall be held
39 beginning at one o'clock on the second day follow-
40 ing the special levy election.

41 e. Notice of the election shall be published
42 twice in accordance with the provisions of section
43 three hundred sixty-two point three (362.3) of the
44 Code, except that the first such notice shall be given
45 at least two weeks before the election.

46 f. The cost of the election shall be borne
47 by the city.

48 g. The election provisions of this subsection
49 shall supersede other provisions for elections only
50 to the extent necessary to comply with the provisions

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1 hereof.

2 h. The provisions of this subsection apply
3 to all cities, however organized, including special
4 charter cities which may adopt ordinances where
5 necessary to carry out these provisions.

6 i. The council shall certify the city's
7 budget with the tax askings not exceeding the amount
8 approved by the special levy election.

5153 9 Sec. _____. Section four hundred forty-four
10 point nine (444.9), subsection two (2), Code 1979,
11 is amended by adding the following new unnumbered
12 paragraph:

13 NEW UNNUMBERED PARAGRAPH. Any county may
14 exceed a tax levy limit contained in this chapter,
15 provided; the proposition has been submitted at a
16 special levy election and received a simple majority
17 of the votes cast on the proposition to authorize
18 the enumerated levy limit rate to be exceeded. The
19 following provisions shall prevail for special levy
20 elections.

21 1. The election may be held as specified
22 herein if notice is given by the board of supervisors,
23 not later than February fifteenth, to the county
24 commissioner of elections that the election is to
25 be held.

26 2. An election under this subsection shall
27 be held on the second Tuesday in March and be conducted
28 by the county commissioner of elections in accordance
29 with the law.

30 3. The proposition to be submitted shall
31 be substantially in the following form:

5153 32 Vote for only one of the following:

33 Shall the county of _____ levy a
34 _____
(name of county)

5153 35 tax for the purpose of _____
36 _____
(state purpose of levy election)

37 at a rate of _____ which will provide \$ _____.
38 _____
(rate) (amount)

5153 39 The county of _____ shall continue
40 under the maximum rate of _____ providing

5153 41 \$ _____.
42 _____
(amount)

43 4. The commissioner of elections conducting
44 the election shall notify the board of supervisors
45 of the results within two days of the canvass which
46 shall be held beginning at one o'clock on the second
47 day following the special levy election.

48 5. Notice of the special levy election shall
49 be published at least twice in a newspaper having
50 general circulation in the county prior to the date

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1 of the special levy election. The first notice shall
2 appear as early as practicable after the county has
3 decided to seek a special levy.

4 6. Election provisions conflicting with
5 the provisions of the subsection shall not apply to
6 a special levy election."

7 7. Page 13, by inserting after line 10 the
8 following:

9 "Sec. _____. Notwithstanding the time limit
10 provisions of section twenty-four point seventeen
11 (24.17), unnumbered paragraph one (1), section twenty-
12 four point forty-eight (24.48), section three hundred
13 eighty-four point twelve (384.12), and section four
14 hundred forty-four point nine (444.9), subsection
15 two (2), of the Code as amended by this Act, a city
16 or county wishing to exceed a tax levy limit for the
17 fiscal year beginning July 1, 1980, shall notify the
18 county commissioner of elections not later than thirty
19 days following the effective date of this Act that
20 a special levy election is to be held and the city
21 or county holding such an election shall certify the
22 local budget to the county auditor not later than
23 fourteen days following the special levy election."

24 8. Page 13, by striking lines 30 through
25 34 and inserting in lieu thereof the following:

26 "NEW SECTION. The legislative council is
27 directed to create a tax study committee to be composed
28 of the following members: The lieutenant governor
29 is to serve as chairman of this committee and the
30 legislative council shall appoint four members of
31 the senate and four members of the house, two from
32 each political party, to serve on this committee.
33 Twelve members shall be appointed from the public
34 at large, two from each of Iowa's congressional
35 districts. The governor shall appoint two members
36 from each congressional district from lists submitted
37 by the chair of the republican state party and the
38 chair of the democratic state party. This committee
39 shall conduct a comprehensive study".

40 9. Page 14, by inserting after line 15 the
41 following new subsection:

42 "6. The impact of the failure to index the
43 income tax to adjust for inflation."

44 10. Page 14, line 20, by striking the word
45 and figure "fourteen (14)" and inserting in lieu
46 thereof the word and figure "thirteen (13)".

47 11. Page 14, line 20, by striking the word
48 and figure "fourteen (14)" and inserting in lieu
49 thereof the word "thirteen (13)".

50 12. Amend the title page, line 7, by

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1 inserting after the word "purposes" the words ", by
2 providing a procedure to exceed levy limits".

3 13. Amend the title, line 7, by inserting
4 after the word "purposes," the words "by establishing
5 agricultural dwellings as one class of property and
6 combining agricultural buildings with agricultural
7 land into another class of property,".

8 14. Renumber sections and correct internal
9 references as are necessary in accordance with this
10 amendment.

HOUSE FILE 2072

H-5148

1 Amend Senate amendment H-5144 to House File 2072
2 as amended, passed and reprinted by the House as
3 follows:

4 1. Page 4, by inserting after line 6 the following:
5 " ____ . Page 12, by inserting after line 28 the
6 following:

7 "Sec. ____ . NEW SECTION.

8 1. A city whose general fund tax levy for the
9 current fiscal year is at the maximum limit provided
10 in section three hundred eighty-four point one (384.1)
11 of the Code may impose by ordinance of the city council
12 a local sales, service and use tax subject to this
13 section.

14 2. A local tax shall be imposed originally or
15 after a period of discontinuance only after an election
16 at which a majority of those voting on the question
17 favors imposition and shall then be imposed for a
18 period not to exceed five years. If the tax is imposed
19 by a city, it shall only apply within the corporate
20 boundaries of that city.

21 3. A city council may direct the county
22 commissioner of elections to submit the question of
23 imposition of an authorized local tax to the quali-
24 fied electors of the city on its own motion and shall
25 do so within sixty days from the date of receipt of
26 a petition which is valid under section three hundred
27 sixty-two point four (362.4) of the Code and which
28 requests imposition of a local sales, service and
29 use tax for a specific period of time, not to exceed
30 five years and with revenues to be used for a specified
31 purpose.

32 4. The county commissioner of elections shall
33 submit the question of imposition of a local tax only
34 at a general or regular city election. The ballot
35 shall specify the period for which the tax is to be
36 imposed and the purpose for this the revenues will
37 be used.

38 5. If a majority of those voting favors imposition
39 of the local tax, the council of that city shall
40 impose the tax for the period specified.

41 Sec. ____ . NEW SECTION. LOCAL SALES, SERVICES
42 AND USE TAX. A local sales, services and use tax
43 at the rate of one percent shall be imposed by a city
44 on the gross receipts taxed by the state under chapter
45 four hundred twenty-two (422), division four (IV),
46 of the Code, and the uses taxed under chapter four
47 hundred twenty-three (423) of the Code. A local
48 sales, services and use tax shall be imposed on the
49 same basis as the state sales, services and use tax
50 and may not be imposed on the sale or use of any

1 property or on any service not taxed by the state.

2 A local sales, services and use tax is applicable

3 only to transactions within the city where it is

4 imposed and shall be collected by all persons required

5 to collect state gross receipts or use taxes.

6 The amount of the sale, for purposes of determining

7 the amount of the local sales, services and use tax,

8 does not include the amount of any state gross receipts

9 or use taxes.

10 A tax permit other than the state tax permit

11 required under section four hundred twenty-two point

12 fifty-three (422.53) of the Code shall not be required

13 by local authorities.

14 Sec. ____ NEW SECTION. ADMINISTRATION. A local

15 sales, services and use tax may be imposed either

16 January first or July first following a favorable

17 election.

18 The director of revenue shall administer the

19 provisions of a local sales, services and use tax

20 as nearly as possible in conjunction with the

21 administration of state gross receipts and use tax

22 laws. The director shall provide appropriate forms

23 or provide on the regular state tax forms for reporting

24 local sales, services and use tax liability.

25 An ordinance of a city council imposing a local

26 sales, services and use tax shall adopt by reference

27 the applicable provisions of the appropriate sections

28 of chapter four hundred twenty-two (422), division

29 four (IV), of the Code and chapter four hundred twenty-

30 three (423) of the Code, and all powers of the director

31 to administer the state gross receipts and use tax

32 law are applicable to the administration of a local

33 sales, services and use tax law. Local officials

34 shall confer with the director of revenue for

35 assistance in drafting the ordinance imposing a local

36 sales, services and use tax. A certified copy of

37 the ordinance imposing a local sales, services and

38 use tax shall be filed with the director as soon as

39 possible after passage.

40 The director, in consultation with local officials,

41 shall collect and account for a local sales, services

42 and use tax. The director shall retain for the use

43 of the department of revenue one percent of all local

44 sales, services and use tax receipts, to cover

45 administrative expense, and shall credit remaining

46 local sales, services and use tax receipts to a "local

47 sales, services and use tax fund" hereby established

48 in the office of the treasurer of state.

49 Sec. 4. NEW SECTION. PAYMENT TO LOCAL GOVERNMENTS.

50 The treasurer of state shall remit quarterly, pursuant

1 to rules of the director of revenue, to each city

2 the amount of sales, services and use tax collected

3 in that city. Moneys received by a city from this

4 fund shall be credited to the general fund of that

5 city and used only for the purpose for which the tax

6 was imposed." "

HOUSE FILE 2072

H-5158

1 Amend the Senate Amendment, H-5144, to House File
2 2072, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 1, by inserting after line 2 the following:

5 "____. Page 2, by inserting after line 12 the

6 following new sections:

7 "Sec. _____. Section four hundred twenty-five point
8 two (425.2), Code 1979, is amended by striking the
9 section and inserting in lieu thereof the following:

10 425.2 QUALIFYING FOR CREDIT. A person who wishes
11 to qualify for the credit allowed under this chapter,
12 shall obtain the appropriate forms for filing for
13 the credit from the assessor. The person claiming
14 the credit shall file a verified statement and
15 designation of homestead with the assessor for the
16 year for which the person is first claiming the credit.
17 The claim shall be filed not later than July first
18 of the year for which the person is claiming the
19 credit.

20 Upon the filing of the claim, the claim shall be
21 allowed to that person for successive years without
22 further filing as long as the property is used as
23 a homestead. The person filing the claim need not
24 file additional claims on that homestead. When the
25 property is sold or transferred, a person who wishes
26 to qualify shall refile for credit. A person who
27 ceases to use a property for a homestead shall notify
28 the assessor not later than June thirtieth of the
29 year in which the use is changed.

30 In case the owner of the homestead is in active
31 service in the military, naval, or air forces or nurse
32 corps of this state or of the United States, the
33 statement and designation may be delivered or filed
34 by any member of the owner's family. The commissioner
35 of social services or the commissioner's designee
36 shall make application for the benefits of this chapter
37 as the agent for and on behalf of persons receiving
38 assistance under chapter two hundred forty-nine (249)
39 of the Code.

40 Sec. _____. Section four hundred twenty-five point
41 three (425.3), Code 1979, is amended by striking the
42 section and inserting in lieu thereof the following:

43 425.3 VERIFICATION OF CLAIMS FOR HOMESTEAD CREDIT.

44 The assessor shall retain a permanent file of current
45 homestead claims filed in the assessor's office.

46 The assessor shall file a notice of transfer of
47 property for which a claim is filed when notice is
48 received from the office of the county recorder.

49 The county recorder shall give notice to the
50 assessor of each transfer of title filed in the

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1 recorder's office. The notice shall describe the
2 property transferred, the name of the person
3 transferring the title to the property, and the name
4 of the person to whom title to the property has been
5 transferred.

6 Not later than July second of each year, the
7 assessor shall remit the statements and designation
8 of homesteads to the county auditor with the assessor's
9 recommendation for allowance or disallowance. If
10 the assessor recommends disallowance of a claim, the
11 assessor shall submit the reasons for the
12 recommendation, in writing, to the county auditor.

13 The county auditor shall forward the claims to
14 the board of supervisors. The board shall examine
15 all claims filed and delivered and shall allow or
16 disallow the claims. If the board disallows a claim,
17 it shall send written notice, by certified mail, to
18 the claimant at the claimant's last-known address.
19 The notice shall state the reasons for disallowing
20 the claim for the credit.

21 Sec. _____. Section four hundred twenty-five point
22 six (425.6), Code 1979, is amended to read as follows:

23 425.6 WAIVER BY NEGLECT. If any a person fails
24 to make file a claim for the credits provided for
25 under this chapter as herein required, ~~he~~ the person
26 shall be deemed to have waived the homestead credit
27 for the any year preceding the year in which he the
28 person failed to make claim."

H-5158 FILED *Loeb 2/7* BY JOHNSON of Howard
FEBRUARY 5, 1980 (*p. 426*)

HOUSE FILE 2072

H-5155

1 Amend the Senate amendment, H-5144, to House
2 File 2072, as amended, passed, and reprinted by the
3 House, as follows:
4 1. Page 4, line 40, by striking the number "15"
5 and inserting in lieu thereof ~~the~~ number "11".

H-5155 FILED *H/O 2/7 (432)* BY AVENSON of Fayette
FEBRUARY 5, 1980

H-5160

1 Amend the Senate amendment, H-5144 to House
2 File 2072 as follows:

3 1. Page 1, by striking lines 42 through 50 and
4 Page 2, by striking lines 1 through 3 and inserting
5 in lieu thereof:

6 "NEW UNNUMBERED PARAGRAPH: To have the option of
7 a referendum on a tax that exceeds any tax levy
8 limit a city shall request a suspension of the tax
9 levy limit by the city finance committee at least
10 forty days prior to March 15. The city finance
11 committee shall officially notify any city of its
12 approval, modification or rejection of the city's
13 request for a suspension of the statutory property
14 tax levy limitation within five days.

15 NEW UNNUMBERED PARAGRAPH: For a county to have
16 the option of a referendum on a tax that exceeds
17 any tax levy limit a county shall request a
18 suspension of the tax levy limit from the state
19 appeals board at least forty days prior to March 15.
20 The state appeals board shall officially notify
21 any county of its approval, modification or
22 rejection of the county's request for a suspension
23 of the statutory property tax levy limitation within
24 five days."

25 By numbering and renumbering as necessary.

H-5160 FILED *Last 2/7 (p. 427)* BY ANDERSON of Jasper
FEBRUARY 5, 1980

H-5162

1 Amend the Senate amendment, H-5144, to House File
2 2072, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 4, by inserting after line 23 the following
5 new section:

6 "Sec. ____. NEW SECTION. Where the initial assessed
7 value of property within an urban renewal area is
8 reduced for the purpose of the division of revenue
9 under section four hundred forty-one point twenty-
10 one (441.21) of the Code, the amount of the reduction
11 in revenue to a political subdivision resulting from
12 the reduction in the initial assessed value of the
13 property shall be reimbursed. The amount of the
14 reimbursement shall be the difference between the
15 amount of tax levied upon the assessed value of the
16 property under this Act and the amount of the tax
17 levy applied against the actual value of the property.
18 The state comptroller shall issue warrants annually
19 on or before December first to each political
20 subdivision for the amount of revenue lost to the
21 political subdivision as a result of the reduction
22 in the initial assessed value until the bonds for
23 the project have been retired."

H-5162 FILED *Ruled not germane 2/7 (p. 431)* BY O'KANE of Woodbury
FEBRUARY 5, 1980

HOUSE FILE 2072

H-5156

1 Amend Senate amendment H-5144 to House File 2072
2 as amended, passed and reprinted by the House as
3 follows:
4 1. Page 1, by inserting after line 2 the following:
5 "1. Page 1, line 13, by inserting after the word
6 "such" the word "twice".
7 2. Page 1, line 20, by inserting after the word
8 "to" the word "twice".
9 3. Page 1, line 21, by striking the word "The"
10 and inserting in lieu thereof the words "The Twice
11 the".
12 4. Page 1, line 23, by inserting after the word
13 "though" the word "twice".
14 5. Page 2, by inserting after line 12 the
15 following:
16 "Sec. _____. Section four hundred twenty-five point
17 four (425.4), Code 1979, is amended to read as follows:
18 425.4 CERTIFICATION TO TREASURER. All claims
19 which have been allowed by the board of supervisors
20 shall be certified on or before August 1, in each
21 year, by the county auditor to the county treasurer,
22 which certificates shall list the total amount of
23 dollars, listed by taxing district in the county,
24 due for homestead tax credits claimed and allowed.
25 The county treasurer shall forthwith certify to the
26 department of revenue twice the total amount of
27 dollars, listed by taxing district in the county,
28 due for homestead tax credits claimed and allowed."
29 2. Renumber and correct internal ~~references~~ as
30 necessary.

H-5156 FILED *H/O 2/7 (p. 423)* BY BINA of Scott
FEBRUARY 5, 1980

HOUSE FILE 2072

H-5159

1 Amend the Senate amendment H-5144, to House
2 File 2072, as amended, passed, and reprinted by the
3 House, as follows:
4 1. Page 2, by striking line 24 and lines
5 31 through 34.
6 2. Page 3, by striking line 32 and lines
7 39 through 42.

H-5159 FILED *Lost 2/7* BY HALVORSON of Webster
FEBRUARY 5, 1980 *(p. 427)* O'KANE of Woodbury
LLOYD-JONES of Johnson
DOYLE of Woodbury

H-5172

1 Amend the Senate amendment, H-5144, to House File
2 2072, as amended, passed, and reprinted by the Senate,
3 as follows:
4 1. Page 1, by inserting after line 2 the following:
5 "_____. Page 3, by inserting after line 2 the
6 following new section:
7 "Sec. _____. Section four hundred forty-one point
8 twenty-one (441.21), subsection five (5), Code 1979,
9 as amended by Acts of the Sixty-eighth General
10 Assembly, 1979 Session, chapter twenty-five (25),
11 section five (5), is amended to read as follows:
12 5. For valuations established as of January 1,
13 1979, and each odd-numbered year thereafter, the
14 percentage of actual value at which agricultural and
15 residential property shall be assessed shall be the
16 quotient of the dividend and divisor as defined in
17 this section. The dividend for each class of property
18 shall be the dividend as determined for each class
19 of property for valuations established as of January
20 ~~17-1978~~ first of the preceding year, adjusted by the
21 product obtained by multiplying the percentage
22 determined for that year by the amount of any additions
23 or deletions to actual value, excluding those resulting
24 from the revaluation of existing properties, as
25 reported by the assessors on the abstracts of
26 assessment for ~~1978~~ that year, plus six percent of
27 the amount so determined. However, if the difference
28 between the dividend so determined for either class
29 of property and the dividend for that class of property
30 for valuations established as of January ~~17-1978~~ first
31 of that year, adjusted by the product obtained by
32 multiplying the percentage determined for that year
33 by the amount of any additions or deletions to actual
34 value, excluding those resulting from the revaluation
35 of existing properties, as reported by the assessors
36 on the abstracts of assessment for ~~1978~~ that year,
37 is less than six percent, the ~~1979~~ current year
38 dividend for the other class of property shall be
39 the dividend as determined for that class of property
40 for valuations established as of January ~~17-1978~~ first
41 of the preceding year, adjusted by the product obtained
42 by multiplying the percentage determined for that
43 year by the amount of any additions or deletions to
44 actual value, excluding those resulting from the
45 revaluation of existing properties, as reported by
46 the assessors on the abstracts of assessment for ~~1978~~
47 that year, plus a percentage of the amount so
48 determined which is equal to the percentage by which
49 the dividend as determined for the other class of
50 property for valuations established as of January

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Page Two

1 ~~17-1978~~ first of that year, adjusted by the product
2 obtained by multiplying the percentage determined
3 for that year by the amount of any additions or
4 deletions to actual value, excluding those resulting
5 from the revaluation of existing properties, as
6 reported by the assessors on the abstracts of
7 assessment for ~~1978~~ the preceding year, is increased
8 in arriving at the ~~1979~~ current year's dividend for
9 the other class of property. The divisor for each
10 class of property shall be the total actual value
11 of all such property in the state in the preceding
12 year, as reported by the assessors on the abstracts
13 of assessment submitted for ~~1978~~ the preceding year,
14 plus the amount of value added to said total actual
15 value by the revaluation of existing properties in
16 ~~1979~~ the reassessment year as equalized by the director
17 of revenue pursuant to section 441.49. The director
18 shall utilize information reported on abstracts of
19 assessment submitted pursuant to section 441.45 in
20 determining such percentage. For valuations
21 established as of January 1, 1980, and each even-
22 numbered year thereafter, the percentage of actual
23 value as equalized by the director of revenue as
24 provided in section 441.49 at which agricultural and
25 residential property shall be assessed shall be
26 calculated in accordance with the methods provided
27 herein including the limitation of increases in
28 agricultural and residential assessed values to the
29 percentage increase of the other class of property
30 if the other class increases less than the allowable
31 limit adjusted to include the applicable and current
32 values as equalized by the director of revenue, ~~except~~
33 ~~that any references to six percent in this subsection~~
34 ~~shall be four percent.~~

35 _____. Page 3, line 10, by inserting after the
36 figure "1979," the words "and January first of each
37 odd-numbered year thereafter,".

38 _____. Page 3, line 17, by inserting after the
39 figure "1979," the words "and January first of each
40 odd-numbered year thereafter,".

41 _____. Page 3, line 21, by striking the figure
42 "1978" and inserting in lieu thereof the words "January
43 first of the preceding year".

44 _____. Page 3, line 24, by striking the figure
45 "1978" and inserting in lieu thereof the words "January
46 first of the preceding year".

47 _____. Page 3, line 25, by striking the figure
48 "1978" and inserting in lieu thereof the words "that
49 year".

50 _____. Page 3, line 27, by inserting after the

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Page Three

- 1 figure "1979" the words "and each odd-numbered year
- 2 thereafter".
- 3 _____. Page 3, line 29, by inserting after the
- 4 figure "1979," the words "and January first of each
- 5 odd-numbered year thereafter,".
- 6 _____. Page 4, line 3, by inserting after the figure
- 7 "1979," the words "and January first of each odd-
- 8 numbered year thereafter,".
- 9 _____. Page 4, line 6, by striking the figure "1978"
- 10 and inserting in lieu thereof the words "January first
- 11 of the preceding year".
- 12 _____. Page 4, line 15, by inserting after the
- 13 figure "1979" the words ", and January first of each
- 14 odd-numbered year thereafter".
- 15 _____. Page 4, line 16, by inserting after the
- 16 figure "1980," the words "and January first of each
- 17 even-numbered year thereafter,".
- 18 _____. Page 4, line 23, by inserting after the
- 19 figure "1980," the words "and January first of each
- 20 even-numbered year thereafter,".
- 21 _____. Page 4, line 27, by striking the figures
- 22 "1, 1979" and inserting in lieu thereof the words
- 23 "first of the preceding year".
- 24 _____. Page 4, line 32, by striking the figure
- 25 "1979" and inserting in lieu thereof the words "that
- 26 year".
- 27 _____. Page 4, line 35, by striking the figure
- 28 "1979" and inserting in lieu thereof the words "the
- 29 preceding year".
- 30 _____. Page 5, line 4, by striking the figure "1980"
- 31 and inserting in lieu thereof the words "the current
- 32 year".
- 33 _____. Page 5, line 8, by inserting after the figure
- 34 "1980," the words "and January first of each even-
- 35 numbered year thereafter,".
- 36 _____. Page 5, line 16, by inserting after the
- 37 figure "1980," the words "and January first of each
- 38 even-numbered year thereafter,".
- 39 _____. Page 5, line 19, by striking the figure
- 40 "1979" and inserting in lieu thereof the words "January
- 41 first of the preceding year".
- 42 _____. Page 5, line 25, by striking the figure
- 43 "1979" and inserting in lieu thereof the words "January
- 44 first of the preceding year".
- 45 _____. Page 5, line 27, by striking the figures
- 46 "1, 1980" and inserting in lieu thereof the words
- 47 "first of the current year".
- 48 _____. Page 5, line 27, by striking the word "For".
- 49 _____. Page 5, by striking lines 28 through 35.
- 50 _____. Page 6, by striking lines 1 through 10.

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Page Four

1 . Page 6, line 11, by striking the words "in
2 this subsection shall be eight percent."
3 . Page 7, by inserting after line 5 the
4 following new section:
5 "Sec. . Section four hundred forty-one point
6 twenty-one (441.21), subsection eight (8), Code 1979,
7 as amended by Acts of the Sixty-eighth General
8 Assembly, 1979 Session, chapter twenty-five (25),
9 section five (5), is amended to read as follows:
10 8. For valuations established as of January 1,
11 1979, and each succeeding odd-numbered year, against
12 which taxes will be levied for the fiscal year
13 beginning in the 1979 calendar year, and each
14 succeeding odd-numbered calendar year, by any special
15 charter city that levies and collects its own taxes,
16 the percentage of actual value at which agricultural
17 and residential property shall be assessed shall be
18 the quotient of the dividend and divisor as defined
19 in this section. The dividend for each class of
20 property shall be the valuation for each class of
21 property for valuations established as of January
22 1,--1978 first of the preceding year, and upon which
23 any special charter city levied its taxes in 1978
24 that year, adjusted by the product obtained by
25 multiplying the percentage determined for that year
26 by the amount of any additions or deletions to actual
27 value, excluding those resulting from the revaluation
28 of existing properties, as reported by the assessor
29 on the abstract of assessment for 1978 that year,
30 plus six percent of the amount so determined. The
31 divisor for each class of property shall be the total
32 actual value of all such property in the city in the
33 preceding year, as reported by the assessor on the
34 abstract of assessment submitted for 1978 that year,
35 plus the amount of value added to said total actual
36 value by the revaluation of existing properties in
37 1979 the current year. However, if the estimated
38 statewide growth in assessed valuation is less than
39 six percent for either class of property for 1979
40 any year, the director shall estimate the percentages
41 by which the statewide valuation of residential and
42 agricultural property will increase in 1979 that year.
43 The lower percentage shall be used in lieu of six
44 percent for both classes of property in calculating
45 the percentages at which agricultural and residential
46 property shall be assessed. The percentage at which
47 agricultural and residential property shall be assessed
48 will be certified by the director on or before May
49 31,--1979 thirty-first of each year to the appropriate
50 city official in special charter cities that levy

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1 and collect their own taxes. The percentage so
2 certified shall be applicable only to those valuations
3 against which the special charter city levies its
4 own tax. For valuations established as of January
5 1, 1980, and each even-numbered year thereafter for
6 any special charter city that levies and collects
7 its own taxes, the percentage of actual value as
8 equalized by the director of revenue as provided in
9 section 441.49 at which agricultural and residential
10 property shall be assessed shall be calculated in
11 accordance with the methods provided herein adjusted
12 to include the applicable and current values as
13 equalized by the director of revenue, ~~except that~~
14 ~~any references to six percent in this subsection shall~~
15 ~~be four percent~~ plus four percent of the amount so
16 determined. The assessor shall provide valuation
17 information to the director of revenue sufficient
18 for the computation of the assessment percentage by
19 May fifteenth of each year on forms prescribed by
20 the director of revenue.

21 _____. Page 7, line 13, by inserting after the
22 figure "1980," the words "and January first of each
23 even-numbered year thereafter,".

24 _____. Page 7, line 14, by inserting after the word
25 "year" the words "and each even-numbered calendar
26 year thereafter".

27 _____. Page 7, line 23, by striking the figure "1,
28 1979" and inserting in lieu thereof the words "first
29 of the preceding year".

30 _____. Page 7, line 24, by striking the figure
31 "1979" and inserting in lieu thereof the words "that
32 year".

33 _____. Page 7, line 26, by striking the figure
34 "1979" and inserting in lieu thereof the words "that
35 year".

36 _____. Page 7, line 30, by striking the figure
37 "1980" and inserting in lieu thereof the words "the
38 current year".

39 _____. Page 7, line 31, by inserting after the
40 figure "1980," the words "and January first of each
41 even-numbered year thereafter,".

42 _____. Page 8, line 5, by inserting after the figure
43 "1980," the words "and January first of each even-
44 numbered year thereafter,".

45 _____. Page 8, line 7, by striking the figure "1979"
46 and inserting in lieu thereof the words "January first
47 of the preceding year".

48 2. Page 1, by inserting after line 4 the following:

49 " _____. Page 8, line 14, by striking the figure
50 "1979" and inserting in lieu thereof the words "for

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Page Six

1 the preceding year".
2 _____. Page 8, line 16, by inserting after the
3 figure "1980" the words ", and January first of each
4 even-numbered year thereafter".
5 3. Page 1, by inserting after line 8 the following:
6 "_____. Page 9, line 3, by inserting after the word
7 "each" the words "odd-numbered".
8 _____. Page 9, line 18, by inserting after the word
9 "each" the word "odd-numbered".

H-5172 FILED *WJC 2/7 (3+24)* BY NORLAND of Worth
FEBRUARY 6, 1980

HOUSE FILE 2072

H-5174

1 Amend the Johnson of Howard amendment H-5158
2 to the Senate amendment H-5144 to House File 2072
3 as amended, passed and reprinted by the House, as
4 follows:

5 1. Page 2, by inserting after line 28 the
6 following:

7 "Sec. . . . Section four hundred twenty-seven
8 point six (427.6) unnumbered paragraph one (1),
9 Code 1979, is amended to read as follows:

10 Said claim for exemption, if filed on or
11 before July 1 of any year and allowed by the
12 board of supervisors, shall be effective to
13 secure an exemption only for the year in which
14 such exemption is filed and for each successive
15 year, without further filing so long as the property
16 is owned by the claimant. Provided, notwith-
17 standing the filing or continuation of the claim
18 on or before July 1 of any year, the claimant
19 or the claimant's unremarried surviving spouse
20 shall be the legal or equitable owner of the
21 property upon which exemption is claimed, on
22 the first day of July of the year in which said
23 exemption is claimed."

H-5174 FILED *Spec. Act. no. 425* BY WELSH of Dubuque
FEBRUARY 6, 1980 *2/7 (p. 425)*

HOUSE FILE 2072

H-5188

1 Amend amendment H-5173 to Senate amendment
2 H-5175 to House File 2072 as amended, passed and
3 reprinted by the House as follows:

4 1. Page 1, by inserting after line 3, the
5 following:

6 "1. Page 1, by inserting after line 2, the
7 following:"

H-5188 FILED BY PERKINS of Greene
FEBRUARY 7, 1980
ADOPTED BY UNANIMOUS CONSENT (*p 421*)

HOUSE FILE 2072

H-5173

1 Amend Senate amendment H-5144 to House File 2072
2 as amended, passed and reprinted by the House as
3 follows:
4 "1. Page 1, by inserting before line 1, the
5 following new section:
6 "Section 1. Section twenty-four point forty-eight
7 (24.48), Code 1979, as amended by Acts of the Sixty-
8 eighth General Assembly, 1979 Session, chapter twenty-
9 five (25), section one (1), is amended by adding the
10 following new unnumbered paragraph:
11 NEW UNNUMBERED PARAGRAPH. For property tax budgets
12 based upon property valuations established as of
13 January 1, 1979 and each year thereafter, a city or
14 county shall be allowed an increase in its property
15 tax levy for the general fund equal in dollars to
16 the amount of the preceding year's property taxes
17 actually levied for the general fund plus four percent
18 of that amount. If the property tax levy for the
19 general fund, as computed under this section with
20 the allowable four percent increase exceeds any
21 statutory property tax levy limitations, the city
22 or county shall be allowed to exceed the statutory
23 property tax levy limitations without appealing to
24 the state appeal board, or in the case of a city,
25 to the city finance committee. However, where a city
26 or county of the state exceeds any statutory property
27 tax levy limitations and is not required to appeal,
28 the city or county shall file a report with the state
29 appeal board, or in the case of a city, with the city
30 finance committee, that the city or county will exceed
31 the statutory property tax levy limitations on its
32 general fund.""
33 2. Renumber sections and correct internal
34 references as are necessary in accordance with this
35 amendment.

BY PERKINS of Greene	CUSACK of Scott
DIELEMAN of Marion	WELSH of Dubuque
BINA of Scott	SHERZAN of Polk
PAVICH of Pottawattamie	HULLINGER of Decatur
MILLER of Buchanan	RAPP of Black Hawk
LLOYD-JONES of Johnson	HOWELL of Floyd
JOCHUM of Dubuque	GROTH of Buena Vista
ARNOULD of Scott	BRUNER of Story
WALTER of Pottawattamie	BRANDT of Black Hawk
GETTINGS of Wapello	O'KANE of Woodbury
HUSAK of Tama	HALVORSON of Webster
WELLS of Linn	CONNOLLY of Dubuque

H-5173 FILED
FEBRUARY 6, 1980

*Build not germane
2/7 (-p 421)*

CORRECTED
SENATE AMENDMENT TO
HOUSE FILE 2072

H-5175

- 1 Amend House File 2072, as amended, passed,
2 and reprinted by the House, as follows:
3 1. Page 8, line 8, by striking the word
4 "ten" and inserting in lieu thereof the word "eight".
5 2. Page 8, line 16, by striking the word
6 "Property" and inserting in lieu thereof the words
7 "For valuations established as of January 1, 1980,
8 and each year thereafter, property".
9 3. Page 11, line 26, by striking the words
10 "In any case where, in trans-".
11 4. Page 11, by striking lines 27 through
12 32 and inserting in lieu thereof the words "The county
13 auditor shall list the aggregate actual value and
14 the aggregate taxable value of all taxable property
15 within the county and each political subdivision on
16 the tax list".
17 5. Page 11, line 33, by striking the words
18 "onto the tax list".
19 6. Page 12, by inserting after line 18 the
20 following:
21 "Sec. ____ . Section twenty-four point
22 seventeen (24.17), unnumbered paragraph one (1), Code
23 1979, is amended to read as follows:
24 The local budgets of the various political
25 subdivisions shall be certified by the chairman of
26 the certifying board or levying board, as the case
27 may be, in duplicate to the county auditor not later
28 than March 15 of each year unless a city or county
29 holds a special levy election, in which case
30 certification shall not be later than fourteen days
31 following the special levy election, on blanks
32 prescribed by the state board, and according to the
33 rules and instruction which shall be furnished all
34 certifying and levying boards in printed form by the
35 state board or city finance committee in the case
36 of cities.
37 Sec. ____ . Section twenty-four point forty-
38 eight (24.48), Code 1979, as amended by Acts of the
39 Sixty-eighth General Assembly, 1979 Session, chapter
40 twenty-five (25), section one (1), is amended by
41 adding the following new unnumbered paragraphs:
42 NEW UNNUMBERED PARAGRAPH. The city finance
43 committee shall have officially notified any city
44 of its approval, modification or rejection of the
45 city's request for a suspension of the statutory
46 property tax levy limitation prior to thirty-five
47 days before March fifteenth.
48 NEW UNNUMBERED PARAGRAPH. The state appeals
49 board shall have officially notified any county of
50 its approval, modification or rejection of the county's

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1 request for a suspension of the statutory property
2 tax levy limitation prior to thirty-five days before
3 March fifteenth.

4 Sec. _____. Section three hundred eighty-four
5 point twelve (384.12), Code 1979, is amended by adding
6 the following new subsection:

7 NEW SUBSECTION. A tax that exceeds any tax
8 levy limit within this chapter, provided; the question
9 has been submitted at a special levy election and
10 received a simple majority of the votes cast on the
11 proposition to authorize the enumerated levy limit
12 to be exceeded for the proposed budget year.

13 a. The election may be held as specified
14 herein if notice is given by the city council, not
15 later than February fifteenth, to the county
16 commissioner of elections that the election is to
17 be held.

18 b. An election under this subsection shall
19 be held on the second Tuesday in March and be conducted
20 by the county commissioner of elections in accordance
21 with the law.

22 c. The proposition to be submitted shall
23 be substantially in the following form:

24 Vote for only one of the following:

25 Shall the city of _____ levy a
26 (name of city)
27 tax for the purpose of _____
28 (state purpose of levy election)
29 at a rate of _____ which will provide \$ _____.
30 (rate) (amount)

31 The city of _____ shall continue
32 under the maximum rate of _____ providing
33 \$ _____.
34 (amount)

35 d. The commissioner of elections conducting
36 the election shall notify the city officials and other
37 county auditors where applicable, of the results
38 within two days of the canvass which shall be held
39 beginning at one o'clock on the second day follow-
40 ing the special levy election.

41 e. Notice of the election shall be published
42 twice in accordance with the provisions of section
43 three hundred sixty-two point three (362.3) of the
44 Code, except that the first such notice shall be given
45 at least two weeks before the election.

46 f. The cost of the election shall be borne
47 by the city.

48 g. The election provisions of this subsection
49 shall supersede other provisions for elections only
50 to the extent necessary to comply with the provisions

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1 hereof.

2 h. The provisions of this subsection apply
3 to all cities, however organized, including special
4 charter cities which may adopt ordinances where
5 necessary to carry out these provisions.

6 i. The council shall certify the city's
7 budget with the tax askings not exceeding the amount
8 approved by the special levy election.

9 Sec. _____. Section four hundred forty-four
10 point nine (444.9), subsection two (2), Code 1979,
11 is amended by adding the following new unnumbered
12 paragraph:

13 NEW UNNUMBERED PARAGRAPH. Any county may
14 exceed a tax levy limit contained in this chapter,
15 provided; the proposition has been submitted at a
16 special levy election and received a simple majority
17 of the votes cast on the proposition to authorize
18 the enumerated levy limit rate to be exceeded. The
19 following provisions shall prevail for special levy
20 elections.

21 1. The election may be held as specified
22 herein if notice is given by the board of supervisors,
23 not later than February fifteenth, to the county
24 commissioner of elections that the election is to
25 be held.

26 2. An election under this subsection shall
27 be held on the second Tuesday in March and be conducted
28 by the county commissioner of elections in accordance
29 with the law.

30 3. The proposition to be submitted shall
31 be substantially in the following form:

32 Vote for only one of the following:

33 Shall the county of _____ levy a
34 (name of county)

35 tax for the purpose of _____
36 (state purpose of levy election)

37 at a rate of _____ which will provide \$ _____.
38 (rate) (amount)

39 The county of _____ shall continue
40 under the maximum rate of _____ providing

41 \$ _____.
42 (amount)

43 4. The commissioner of elections conducting
44 the election shall notify the board of supervisors
45 of the results within two days of the canvass which
46 shall be held beginning at one o'clock on the second
47 day following the special levy election.

48 5. Notice of the special levy election shall
49 be published at least twice in a newspaper having
50 general circulation in the county prior to the date

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1 of the special levy election. The first notice shall
2 appear as early as practicable after the county has
3 decided to seek a special levy.

4 6. Election provisions conflicting with
5 the provisions of the subsection shall not apply to
6 a special levy election."

7 7. Page 13, by inserting after line 10 the
8 following:

9 "Sec. _____. Notwithstanding the time limit
10 provisions of section twenty-four point seventeen
11 (24.17), unnumbered paragraph one (1), section twenty-
12 four point forty-eight (24.48), section three hundred
13 eighty-four point twelve (334.12), and section four
14 hundred forty-four point nine (444.9), subsection
15 two (2), of the Code as amended by this Act, a city
16 or county wishing to exceed a tax levy limit for the
17 fiscal year beginning July 1, 1980, shall notify the
18 county commissioner of elections not later than thirty
19 days following the effective date of this Act that
20 a special levy election is to be held and the city
21 or county holding such an election shall certify the
22 local budget to the county auditor not later than
23 fourteen days following the special levy election."

24 8. Page 13, by striking lines 30 through
25 34 and inserting in lieu thereof the following:

26 "NEW SECTION. The legislative council is
27 directed to create a tax study committee to be composed
28 of the following members: The lieutenant governor
29 is to serve as chairman of this committee and the
30 legislative council shall appoint four members of
31 the senate and four members of the house, two from
32 each political party, to serve on this committee.
33 Twelve members shall be appointed from the public
34 at large, two from each of Iowa's congressional
35 districts. The governor shall appoint two members
36 from each congressional district from lists submitted
37 by the chair of the republican state party and the
38 chair of the democratic state party. This committee
39 shall conduct a comprehensive study".

40 9. Page 14, by inserting after line 11 the
41 following new subsection:

42 "6. The impact of the failure to index the
43 income tax to adjust for inflation."

44 10. Page 14, line 29, by striking the word
45 and figure "fourteen (14)" and inserting in lieu
46 thereof the word and figure "thirteen (13)".

47 11. Page 14, line 24, by striking the word
48 and figure "fourteen (14)" and inserting in lieu
49 thereof the word "thirteen (13)".

50 12. Amend the title page, line 7, by

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1 inserting after the word "purposes" the words ", by
2 providing a procedure to exceed levy limits".
3 13. Amend the title, line 7, by inserting
4 after the word "purposes," the words "by establishing
5 agricultural dwellings as one class of property and
6 combining agricultural buildings with agricultural
7 land into another class of property,".
8 14. Renumber sections and correct internal
9 references as are necessary in accordance with this
10 amendment.

H-5175 FILED
FEBRUARY 7, 1980

RECEIVED FROM THE SENATE

House concurred 2/7/80 (p. 433)

HOUSE FILE 2072

H-5153

1 Amend the Senate amendment, H-5144, to House File
2 2072 as amended, passed and reprinted by the House
3 as follows:
4 1. Page 2, line 27, by inserting after the
5 word "tax" the words "for _____ years".
6 (number)
7 2. Page 2, line 30, by inserting after the word
8 "amount" the words "per year".
9 3. Page 2, line 34, by inserting after the word
10 "amount" the words "per year".
11 4. Page 3, by inserting after line 8 the following:
12 "j. The council may exceed the tax levy limit
13 for the number of years approved at the special levy
14 election."
15 5. Page 3, line 35, by inserting after the word
16 "tax" the words "for _____ years".
17 (number)
18 6. Page 3, line 38, by inserting after the word
19 "amount" the words "per year".
20 7. Page 3, line 42, by inserting after the word
21 "amount" the words "per year".
22 8. Page 4, by inserting after line 6 the following:
23 "7. The board of supervisors may exceed the tax
24 levy limit for the number of years approved at the
25 special levy election."

H-5153 FILED
FEBRUARY 5, 1980

Conc 2/7 (p. 428)

BY BINA of Scott

HOUSE FILE 2072

AN ACT

RELATING TO PROPERTY TAXATION BY PROVIDING ADDITIONAL PROPERTY TAX CREDITS FOR PROPERTY OWNERS BY INCREASING THE HOMESTEAD TAX CREDIT AND THE AGRICULTURAL LAND TAX CREDIT, BY PROVIDING FOR THE VALUATION OF AGRICULTURAL STRUCTURES, COMMERCIAL PROPERTY, INDUSTRIAL PROPERTY, AND PROPERTY VALUED BY THE DEPARTMENT OF REVENUE AT A PERCENTAGE OF ITS ACTUAL VALUE FOR TAX PURPOSES, BY PROVIDING A PROCEDURE TO EXCEED LEVY LIMITS, BY ESTABLISHING AGRICULTURAL DWELLINGS AS ONE CLASS OF PROPERTY AND COMBINING AGRICULTURAL BUILDINGS WITH AGRICULTURAL LAND INTO ANOTHER CLASS OF PROPERTY, BY ALTERING THE QUALIFICATION FOR A COUNTY TO LEVY A PROPERTY TAX BECAUSE OF A FEDERAL ORDINANCE PLANT AND MAKING THE ACT RETROACTIVE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section four hundred twenty-five point one (425.1), subsections two (2), four (4), and seven (7), Code 1979, are amended to read as follows:

2. The homestead credit fund shall be apportioned each year so as to give a credit against the tax on each eligible homestead in the state in an amount equal to the actual levy on the first four thousand ~~five~~ eight hundred fifty dollars of actual value for each homestead.

4. Annually the department of revenue shall estimate the credit not to exceed the actual levy on the first four thousand ~~five~~ eight hundred fifty dollars of actual value of each eligible homestead, and shall certify to the county auditor of each county ~~such~~ the credit and ~~the~~ its amount in dollars ~~thereof~~. Each county auditor shall then enter ~~such~~ the credit against the tax levied on each eligible homestead in each county payable during the ensuing year, designating on the tax lists ~~such~~ the credit as being from the homestead credit

fund, and credit shall then be given to the several taxing districts in which ~~such~~ eligible homesteads are located in an amount equal to the credits allowed on the taxes of ~~such~~ the homesteads. The amount of ~~said~~ credits shall be apportioned by each county treasurer to the several taxing districts as provided by law, in the same manner as though the amount of the credit had been paid by the owners of ~~said~~ the homesteads, ~~provided, however, that~~. However, the several taxing districts shall not ~~be permitted to~~ draw the funds so credited until after the semiannual allocations have been received by the county treasurer, as provided in this chapter. Each county treasurer shall show on each tax receipt the amount of credit received from the homestead credit fund.

7. Where any special charter city levies and collects its own taxes, the amount of the homestead tax credit allowed on eligible homesteads within the city shall be computed as follows:

a. In an amount equal to the tax levy by the special charter city on the first ~~forty-five-hundred~~ four thousand eight hundred fifty dollars of actual value for each eligible homestead.

b. In an amount equal to the remainder of the consolidated levy as established by the county auditor on the first ~~forty-five-hundred~~ four thousand eight hundred fifty dollars of actual value for each eligible homestead.

The homestead tax credit computed under this subsection shall be applicable for each homestead tax credit claimed between January 1 and July 1 of the year in which the valuation being taxed by the city and county respectively was established.

Sec. 2. Section four hundred twenty-six point one (426.1), Code 1979, is amended to read as follows:

426.1 AGRICULTURAL LAND CREDIT FUND. There is hereby created as a permanent fund in the office of the treasurer of state a fund to be known as the agricultural land credit fund, and for the purpose of establishing and maintaining said fund for each fiscal year there is appropriated thereto

from funds in the general fund not otherwise appropriated the sum of ~~forty-two~~ forty-three million five hundred thousand dollars. Any balance in said fund on June 30 shall revert to the general fund.

Sec. 3. Section four hundred forty-one point twenty-one (441.21), subsection three (3), unnumbered paragraph one (1), Code 1979, is amended to read as follows:

"Actual value", "taxable value", or "assessed value" as used in other sections of the Code in relation to assessment of property for taxation shall mean the valuations as determined by this section; however, other provisions of the Code providing special methods or formulas for assessing or valuing specified property shall remain in effect, but this section shall be applicable to the extent consistent with such provisions. The assessor and department of revenue shall disclose at the written request of the taxpayer all information in any formula or method used to determine the actual value of his property.

Sec. 4. Section four hundred forty-one point twenty-one (441.21), Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter twenty-five (25), sections three (3), four (4), five (5), and six (6), is amended by inserting after subsection five (5) the following new subsection:

NEW SUBSECTION. For valuations established as of January 1, 1979, commercial property and industrial property, excluding properties referred to in section four hundred twenty-seven A point one (427A.1), subsection six (6), of the Code, shall be assessed as a percentage of the actual value of each class of property. The percentage shall be determined for each class of property by the director of revenue for the state in accordance with the provisions of this section. For valuations established as of January 1, 1979, the percentage shall be the quotient of the dividend and divisor as defined in this section. The dividend for each class of property shall be the total actual valuation for each class of property established for 1978, plus six percent of the amount so

determined. The divisor for each class of property shall be the valuation for each class of property established for 1978, as reported by the assessors on the abstracts of assessment for 1978, plus the amount of value added to the total actual value by the revaluation of existing properties in 1979 as equalized by the director of revenue pursuant to section four hundred forty-one point forty-nine (441.49) of the Code. For valuations established as of January 1, 1979, property valued by the department of revenue pursuant to chapter four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code shall be considered as one class of property and shall be assessed as a percentage of its actual value. The percentage shall be determined by the director of revenue in accordance with the provisions of this section. For valuations established as of January 1, 1979, the percentage shall be the quotient of the dividend and divisor as defined in this section. The dividend shall be the total actual valuation established for 1978 by the department of revenue, plus ten percent of the amount so determined. The divisor for property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code shall be the valuation established for 1978, plus the amount of value added to the total actual value by the revaluation of the property by the department of revenue as of January 1, 1979. For valuations established as of January 1, 1980, commercial property and industrial property, excluding properties referred to in section four hundred twenty-seven A point one (427A.1), subsection six (6), of the Code, shall be assessed at a percentage of the actual value of each class of property. The percentage shall be determined for each class of property by the director of revenue for the state in accordance with the provisions of this section. For valuations established as of January 1, 1980, the percentage

shall be the quotient of the dividend and divisor as defined in this section. The dividend for each class of property shall be the dividend as determined for each class of property for valuations established as of January 1, 1979, adjusted by the product obtained by multiplying the percentage determined for that year by the amount of any additions or deletions to actual value, excluding those resulting from the revaluation of existing properties, as reported by the assessors on the abstracts of assessment for 1979, plus four percent of the amount so determined. The divisor for each class of property shall be the total actual value of all such property in 1979, as equalized by the director of revenue pursuant to section four hundred forty-one point forty-nine (441.49) of the Code, plus the amount of value added to the total actual value by the revaluation of existing properties in 1980. The director shall utilize information reported on the abstracts of assessment submitted pursuant to section four hundred forty-one point forty-five (441.45) of the Code in determining such percentage. For valuations established as of January 1, 1980, property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code shall be assessed at a percentage of its actual value. The percentage shall be determined by the director of revenue in accordance with the provisions of this section. For valuations established as of January 1, 1980, the percentage shall be the quotient of the dividend and divisor as defined in this section. The dividend shall be the total actual valuation established for 1979 by the department of revenue, plus eight percent of the amount so determined. The divisor for property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code shall be the valuation established for 1979, plus the amount of value added

to the total actual value by the revaluation of the property by the department of revenue as of January 1, 1980. For valuations established as of January 1, 1981, and each year thereafter, the percentage of actual value as equalized by the director of revenue as provided in section four hundred forty-one point forty-nine (441.49) of the Code at which commercial property and industrial property, excluding properties referred to in section four hundred twenty-seven A point one (427A.1), subsection six (6), of the Code, shall be assessed shall be calculated in accordance with the methods provided herein, except that any references to six percent in this subsection shall be four percent. For valuations established as of January 1, 1981, and each year thereafter, the percentage of actual value at which property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code shall be assessed shall be calculated in accordance with the methods provided herein, except that any references to ten percent in this subsection shall be eight percent. Beginning with valuations established as of January 1, 1979, and each year thereafter, property valued by the department of revenue pursuant to chapter four hundred thirty-four (434) of the Code shall also be assessed at a percentage of its actual value which percentage shall be equal to the percentage determined by the director of revenue for commercial property, industrial property, or property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code, whichever is lowest.

Sec. 5. Section four hundred forty-one point twenty-one (441.21), subsection six (6), Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter twenty-five (25), section six (6), is amended to read as follows:

6. Beginning with valuations established as of January 1, 1978, the assessors shall report the aggregate taxable values and the number of dwellings located on agricultural land and the aggregate taxable value of all other structures on agricultural land. Beginning with valuations established as of January 1, 1981, ~~such agricultural structures and the~~ agricultural dwellings located on agricultural land shall be valued at their market value as defined in this section ~~and agricultural structures~~ and agricultural dwellings shall ~~each constitute a separate class of~~ be valued as rural residential property and shall be assessed at the same percentage of actual value as is all other residential property.

Sec. 6. Section four hundred forty-one point twenty-one (441.21), Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter twenty-five (25), sections three (3), four (4), five (5), and six (6), is amended by inserting after subsection eight (8) the following new subsection:

NEW SUBSECTION. For valuations established as of January 1, 1980, against which taxes will be levied for the fiscal year beginning in the 1980 calendar year by any special charter city that levies and collects its own taxes, the percentage of actual value at which commercial and industrial property, excluding properties referred to in section four hundred twenty-seven A point one (427A.1), subsection six (6), of the Code, shall be assessed shall be the quotient of the dividend and divisor as defined in this section. The dividend for each class of property shall be the valuation for each class of property for valuations established as of January 1, 1979, and upon which any special charter city levied its taxes in 1979, plus four percent of the amount so determined. The divisor for each class of property shall be the total actual value of all such property for 1979, as equalized by the director of revenue pursuant to section four hundred forty-one point forty-nine (441.49) of the Code, plus the amount of value added to said total actual value by the

revaluation of existing properties in 1980. For valuations established as of January 1, 1980, property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code shall be considered as one class of property and shall be assessed at a percentage of its actual value. The percentage shall be determined by the director of revenue in accordance with the provisions of this section. For valuations established as of January 1, 1980, the percentage shall be the quotient of the dividend and divisor as defined in this section. The dividend shall be the total actual valuation established for 1979 by the department of revenue, plus eight percent of the amount so determined. The divisor for property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code shall be the valuation established for 1979, plus the amount of value added to the total actual value by the revaluation of the property by the department of revenue as of January 1, 1980. For valuations established as of January 1, 1980, and each year thereafter, property valued by the department of revenue pursuant to chapter four hundred thirty-four (434) of the Code shall also be assessed at a percentage of its actual value which shall be equal to the percentage determined by the director of revenue for commercial property, industrial property, or property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code, whichever is lowest. The percentage at which commercial property, industrial property and property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-four (434), four hundred thirty-six (436),

four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code shall be assessed will be certified by the director on or before May 31, 1980 to the appropriate city official in special charter cities that levy and collect their own taxes. The percentage so certified shall be applicable only to those valuations against which the special charter city levies its own tax. For valuations established as of January 1, 1981, and each year thereafter for any special charter city that levies and collects its own taxes, the percentage of actual value as equalized by the director of revenue as provided in section four hundred forty-one point forty-nine (441.49) at which commercial property and industrial property, excluding property referred to in section four hundred twenty-seven A point one (427A.1), subsection six (6), of the Code, shall be assessed shall be calculated in accordance with the methods provided herein adjusted to include the applicable and current values as equalized by the director of revenue, except that any references to six percent in this subsection shall be four percent. The assessor shall provide valuation information to the director of revenue sufficient for the computation of the assessment percentage by May fifteenth of each year on forms prescribed by the director of revenue. For valuations established as of January 1, 1981, and each year thereafter, in a special charter city which levies and collects its own taxes, the percentage of actual value at which property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code shall be assessed shall be calculated in accordance with the methods provided herein, except that any references to ten percent in this subsection shall be eight percent.

Sec. 7. Section four hundred forty-one point twenty-one (441.21), subsection ten (10), Code 1979, is amended to read as follows:

10. For the purpose of computing the debt limitations for municipalities, political subdivisions and school districts, the term "actual value" means the "actual value" as determined by subsections one (1) through three (3) of this section without application of any percentage reduction and entered opposite each item, and as listed on the tax list as provided in section 443.2 as "actual value".

Whenever any board of review or other tribunal changes the assessed value of property, all applicable records of assessment shall be adjusted to reflect such change in both assessed value and actual value of such property.

Sec. 8. Section four hundred forty-one point twenty-one (441.21), subsection twelve (12), Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter twenty-five (25), section five (5), is amended to read as follows:

12. Not later than November 1, 1979, and November first of each subsequent year, the director shall certify to the county auditor of each county the percentages of actual value at which residential and property, agricultural property, commercial property, industrial property, and property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-four (434), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code in each assessing jurisdiction in the county shall be assessed for taxation. The county auditor shall proceed to determine the assessed values of agricultural and property, residential property, commercial property, industrial property, and property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-four (434), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code by applying such percentages to the current actual value of such property, as reported to the county auditor by the assessor, and the assessed values so determined shall be the taxable values of such properties upon which the levy shall be made.

Sec. 9. Section four hundred forty-one point twenty-one (441.21), subsection thirteen (13), Code 1979, is amended to read as follows:

13. The percentage of actual value computed by the director for agricultural and property, residential property, commercial property, industrial property and property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-four (434), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code and used to determine assessed values of those classes of property does not constitute a rule as defined in section 17A.2, subsection 7.

Sec. 10. Section four hundred forty-one point twenty-one (441.21), Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter twenty-five (25), sections three (3), four (4), five (5), and six (6), is amended by adding the following new subsection:

NEW SUBSECTION. The reduction of actual value provided in this section where applicable to property within an urban renewal area, shall be applied to reduce the initial assessed value under section four hundred three point nineteen (403.19), subsection one (1) of the Code, for the purpose of the division of revenue under that section.

Sec. 11. Section four hundred forty-three point two (443.2), Code 1979, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The county auditor shall list the aggregate actual value and the aggregate taxable value of all taxable property within the county and each political subdivision on the tax list in order that the actual value of the taxable property within the county or a political subdivision may be ascertained and shown by the tax list for the purpose of computing the debt-incurring capacity of the county or political subdivision. As used in this section and section four hundred forty-three point five (443.5) of the Code, "actual value" is the value determined under section

four hundred forty-one point twenty-one (441.21), subsections one (1) through three (3) of the Code, prior to the reduction to a percentage of actual value as otherwise provided in section four hundred forty-one point twenty-one (441.21) of the Code.

Sec. 12. Section four hundred forty-three point five (443.5), Code 1979, is amended to read as follows:

443.5 AGGREGATE VALUATIONS CERTIFIED. At the time of delivering the list to the treasurer, the auditor shall furnish to the director of revenue a certified statement showing separately the aggregate actual and taxable valuations of the real and personal property in the county, and also the aggregate amount of each separate tax as shown by the tax list.

Sec. 13. Section twenty-four point seventeen (24.17), unnumbered paragraph one (1), Code 1979, is amended to read as follows:

The local budgets of the various political subdivisions shall be certified by the chairman of the certifying board or levying board, as the case may be, in duplicate to the county auditor not later than March 15 of each year unless a city or county holds a special levy election, in which case certification shall not be later than fourteen days following the special levy election, on blanks prescribed by the state board, and according to the rules and instruction which shall be furnished all certifying and levying boards in printed form by the state board or city finance committee in the case of cities.

Sec. 14. Section twenty-four point forty-eight (24.48), Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter twenty-five (25), section one (1), is amended by adding the following new unnumbered paragraphs:

NEW UNNUMBERED PARAGRAPH. The city finance committee shall have officially notified any city of its approval, modification or rejection of the city's request for a suspension of the statutory property tax levy limitation prior to thirty-five days before March fifteenth.

NEW UNNUMBERED PARAGRAPH.

The state appeals board shall have officially notified any county of its approval, modification or rejection of the county's request for a suspension of the statutory property tax levy limitation prior to thirty-five days before March fifteenth.

Sec. 15. Section three hundred eighty-four point twelve (384.12), Code 1979, is amended by adding the following new subsection:

NEW SUBSECTION.

A tax that exceeds any tax levy limit within this chapter, provided; the question has been submitted at a special levy election and received a simple majority of the votes cast on the proposition to authorize the enumerated levy limit to be exceeded for the proposed budget year.

a. The election may be held as specified herein if notice is given by the city council, not later than February fifteenth, to the county commissioner of elections that the election is to be held.

b. An election under this subsection shall be held on the second Tuesday in March and be conducted by the county commissioner of elections in accordance with the law.

c. The proposition to be submitted shall be substantially in the following form:

Vote for only one of the following:

Shall the city of _____ levy a
(name of city)

tax for the purpose of _____
(state purpose of levy election)

at a rate of _____ which will provide \$_____.
(rate) (amount)

The city of _____ shall continue
under the maximum rate of _____ providing
\$_____.
(amount)

d. The commissioner of elections conducting the election shall notify the city officials and other county auditors where applicable, of the results within two days of the canvass

which shall be held beginning at one o'clock on the second day following the special levy election.

e. Notice of the election shall be published twice in accordance with the provisions of section three hundred sixty-two point three (362.3) of the Code, except that the first such notice shall be given at least two weeks before the election.

f. The cost of the election shall be borne by the city.

g. The election provisions of this subsection shall supersede other provisions for elections only to the extent necessary to comply with the provisions hereof.

h. The provisions of this subsection apply to all cities, however organized, including special charter cities which may adopt ordinances where necessary to carry out these provisions.

i. The council shall certify the city's budget with the tax askings not exceeding the amount approved by the special levy election.

Sec. 16. Section four hundred forty-four point nine (444.9), subsection two (2), Code 1979, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH.

Any county may exceed a tax levy limit contained in this chapter, provided; the proposition has been submitted at a special levy election and received a simple majority of the votes cast on the proposition to authorize the enumerated levy limit rate to be exceeded. The following provisions shall prevail for special levy elections.

1. The election may be held as specified herein if notice is given by the board of supervisors, not later than February fifteenth, to the county commissioner of elections that the election is to be held.

2. An election under this subsection shall be held on the second Tuesday in March and be conducted by the county commissioner of elections in accordance with the law.

3. The proposition to be submitted shall be substantially in the following form:

Vote for only one of the following:

Shall the county of _____ levy a
(name of county)

tax for the purpose of _____
(state purpose of levy election)

at a rate of _____ which will provide \$ _____.
(rate) (amount)

The county of _____ shall continue
under the maximum rate of _____ providing
\$ _____.
(amount)

4. The commissioner of elections conducting the election shall notify the board of supervisors of the results within two days of the canvass which shall be held beginning at one o'clock on the second day following the special levy election.

5. Notice of the special levy election shall be published at least twice in a newspaper having general circulation in the county prior to the date of the special levy election. The first notice shall appear as early as practicable after the county has decided to seek a special levy.

6. Election provisions conflicting with the provisions of the subsection shall not apply to a special levy election.

Sec. 17. Section four hundred forty-four point nine (444.9), subsection four (4), Code 1979, is amended to read as follows:

4. DES MOINES COUNTY LEVY. In all counties having a population of thirty-five thousand, or more, and not more than ~~forty~~ fifty-five thousand, and having an ordnance plant located therein owned by the United States government, the board of supervisors may, with the approval of the state comptroller, levy not to exceed fifty-four cents per thousand dollars of assessed value under the provisions of this section.

Sec. 18. Notwithstanding the provisions of section four hundred forty-one point twenty-one (441.21), subsection twelve (12), of the Code, as amended by section eight (8) of this Act, the director of revenue shall certify to the county auditor of each county the percentages of actual value at

which commercial property, industrial property and property valued by the department of revenue pursuant to chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-four (434), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code in each assessing jurisdiction in the county shall be assessed for taxation not later than fifteen days following the effective date of this Act. The county auditor shall immediately proceed to apply the percentages certified by the director of revenue in the manner provided under section four hundred forty-one point twenty-one (441.21), subsection twelve (12), of the Code.

Sec. 19. Notwithstanding the time limit provisions of section twenty-four point seventeen (24.17), unnumbered paragraph one (1), section twenty-four point forty-eight (24.48), section three hundred eighty-four point twelve (384.12), and section four hundred forty-four point nine (444.9), subsection two (2), of the Code as amended by this Act, a city or county wishing to exceed a tax levy limit for the fiscal year beginning July 1, 1980, shall notify the county commissioner of elections not later than thirty days following the effective date of this Act that a special levy election is to be held and the city or county holding such an election shall certify the local budget to the county auditor not later than fourteen days following the special levy election.

Sec. 20. The provisions of section one (1) of this Act are retroactive to January 1, 1979 for credits claimed on or after January 1, 1979 and approved under chapter four hundred twenty-five (425) of the Code for a homestead tax credit on an eligible homestead and to this extent the provisions of section one (1) of this Act are retroactive.

Sec. 21. The provisions of section four (4) and sections six (6), eight (8) and nine (9) of this Act are retroactive to January 1, 1979 for actual values determined as of January 1, 1979 for commercial property, industrial property, and property valued by the department of revenue pursuant to

chapters four hundred twenty-eight (428), four hundred thirty-three (433), four hundred thirty-four (434), four hundred thirty-six (436), four hundred thirty-seven (437), and four hundred thirty-eight (438) of the Code for which the assessed value shall be determined pursuant to the provisions of section four (4) and sections six (6), eight (8) and nine (9) of this Act and to this extent the provisions of section four (4) and sections six (6), eight (8) and nine (9) of this Act are retroactive.

NEW SECTION. The legislative council is directed to create a tax study committee to be composed of the following members: The lieutenant governor is to serve as chairman of this committee and the legislative council shall appoint four members of the senate and four members of the house, two from each political party, to serve on this committee. Twelve members shall be appointed from the public at large, two from each of Iowa's congressional districts. The governor shall appoint two members from each congressional district from lists submitted by the chair of the republican state party and the chair of the democratic state party. This committee shall conduct a comprehensive study of the present property tax structure. The study shall include, but not be limited to, the following:

1. How different types and classes of property should be valued for property tax assessment purposes.
2. The impact of property tax assessment limits on the distribution of state school aid under the foundation plan.
3. The impact of property tax assessment limits on city and county budgets.
4. The advisability of taxing improvements to land relatively less than unimproved land.
5. The feasibility of assessing additional classes of property on a capitalized potential income basis.
6. The impact of the failure to index the income tax to adjust for inflation.

Expenses of the study committee, including the cost for employing persons or business firms to assist the committee

in its study shall be paid from funds available under section two point twelve (2.12) of the Code.

The study shall transmit copies of its final report to the governor and the members of the Sixty-ninth General Assembly, not later than January 12, 1981. The final report shall include findings of fact and its recommendations.

Sec. 22. The provisions of section seventeen (17) of this Act are retroactive to January 1, 1980 for determination of the county property tax levy for budgets for the fiscal year beginning July 1, 1980 and to this extent the provision of section seventeen (17) of this Act is retroactive.

Sec. 23. This Act, being deemed of immediate importance, shall take effect from and after its publication in the Marshalltown Times-Republican, a newspaper published in Marshalltown, Iowa, and in the Globe-Gazette, a newspaper published in Mason City, Iowa.

FLOYD H. MILLEN
Speaker of the House

TERRY E. BRANSTAD
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2072, Sixty-eighth General Assembly.

DAVID L. WRAY
Chief Clerk of the House

Approved 2/14/ 1980

ROBERT D. RAY
Governor