

APR 25 1980

WAYS & MEANS CALENDAR

HOUSE FILE 2597

By COMMITTEE ON WAYS AND MEANS

Passed House, Date 4/25/80 (p. 1770) Passed Senate, Date 4/25/80 (p. 1770)  
 Vote: Ayes 75 Nays 21 Vote: Ayes 22 Nays 16  
 Approved May 21, 1980

### A BILL FOR

1 An Act to provide for a temporary one-year delay in the phase-  
 2 out of personal property taxes by providing that the amount  
 3 of the personal property tax credit for taxes payable  
 4 in the fiscal year beginning July 1, 1980 and ending  
 5 June 30, 1981 shall not exceed the amount of the personal  
 6 property tax credit allowed for taxes payable in the  
 7 fiscal year beginning July 1, 1979 and ending June 30, 1980  
 8 including the duties of assessors in valuing personal  
 9 property and collection of agricultural statistics.

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

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2597

1 Section 1. Section one hundred fifty-nine point eleven  
2 (159.11), Code 1979, is amended to read as follows:

3 159.11 ASSESSOR. Agricultural statistics shall be  
4 collected each even-numbered year by the assessors under the  
5 supervision of the department, which shall design and  
6 distribute blank forms and instructions ~~therefer~~.

7 Sec. 2. Section one hundred fifty-nine point twelve  
8 (159.12), Code 1979, is amended to read as follows:

9 159.12 RETURNS BY ASSESSOR. The assessor shall require  
10 each person whose property is listed, to make answers to such  
11 inquiries as may be necessary to enable him to return the  
12 ~~foregoing~~ statistics, carefully footed and summarized, to  
13 the department on or before the fifteenth day of April of  
14 each even-numbered year.

15 Sec. 3. Section four hundred twenty-seven A point nine  
16 (427A.9), unnumbered paragraph two (2), Code 1979, is amended  
17 to read as follows:

18 The amount of the additional personal property tax credit  
19 shall be a fixed amount for each tax year. The amount of  
20 the additional personal property tax credit shall be increased  
21 for the extended tax year beginning January 1, 1974, and  
22 ending June 30, 1975, and shall be increased for each tax  
23 year immediately following a tax year in which the growth  
24 of state general fund revenues, adjusted for changes in rate  
25 or basis, exceeds five and one-half percent, except that the  
26 amount of the additional personal property tax credit for  
27 taxes payable in each year of the fiscal period beginning  
28 July 1, 1977 and ending June 30, 1979 shall not exceed the  
29 amount of the additional personal property tax credit allowed  
30 for taxes payable in the fiscal year beginning July 1, 1976  
31 and ending June 30, 1977 and the amount of the additional  
32 personal property tax credit for taxes payable in the fiscal  
33 year beginning July 1, 1980 and ending June 30, 1981 shall  
34 not exceed the amount of the additional personal property  
35 tax credit allowed for taxes payable in the fiscal year

1 beginning July 1, 1979 and ending June 30, 1980. An increase  
2 in the additional personal property tax credit, once granted,  
3 shall continue for each succeeding tax year. For the purposes  
4 of this chapter the state comptroller may estimate the state  
5 percent of growth if necessary to avoid delay in the collection  
6 of taxes. After nine such increases have been made, all taxes  
7 on personal property shall be repealed as provided in the  
8 following section. The director of revenue and the state  
9 comptroller, jointly, shall determine the amount of the credit  
10 for each such tax year. Such amount shall be the maximum  
11 amount, rounded to the nearest ten dollars, which will permit  
12 complete funding of the replacement obligation under this  
13 division, including the replacement obligation for the tax  
14 credit granted pursuant to sections 427A.1 to 427A.5, out  
15 of the appropriation provided in this chapter.

16 Sec. 4. Section four hundred twenty-eight point four  
17 (428.4), unnumbered paragraph one (1), Code 1979, as amended  
18 by Acts of the Sixty-eighth General Assembly, chapter twenty-  
19 five (25), section two (2), is amended to read as follows:

20 Property shall be assessed for taxation each year. Per-  
21 sonal property shall be listed and assessed each-year in 1980  
22 and every two years thereafter in the name of the owner of  
23 the personal property on the first day of January and the  
24 assessment made shall be the value of the personal property  
25 as of January first of the year of the assessment. Real  
26 estate shall be listed and assessed in 1981 and every two  
27 years thereafter. The assessment of real estate shall be  
28 the value of the real estate as of January first of the year  
29 of the assessment. The year 1981 and each odd-numbered year  
30 thereafter shall be a reassessment year. In any year, after  
31 the year in which an assessment has been made of all the real  
32 estate or personal property in any assessing jurisdiction,  
33 it shall be the duty of the assessor to value and assess or  
34 revalue and reassess, as the case may require, any real estate  
35 and personal property that the assessor finds was incorrectly

1 valued or assessed, or was not listed, valued and assessed,  
2 in the real-estate assessment year immediately preceding,  
3 also any real estate or personal property the assessor finds  
4 has changed in value subsequent to January first of the  
5 preceding real estate or personal property assessment year.  
6 However, a percentage increase on a class of property shall  
7 not be made in a year not subject to an equalization order  
8 unless ordered by the department of revenue. The assessor  
9 shall determine the actual value and compute the taxable value  
10 thereof as of January first of the year of the revaluation  
11 and reassessment. The assessment shall be completed as  
12 specified in section 441.28, but no reduction or increase  
13 in actual value shall be made for prior years. If an assessor  
14 makes a change in the valuation of the real estate as provided  
15 for herein, the provisions of sections 441.23, 441.37, 441.38  
16 and 441.39 shall apply.

17 Sec. 5. The provisions of section four (4) of this Act  
18 are retroactive to January 1, 1980, for the valuation and  
19 assessment of personal property as provided under section  
20 four (4) of this Act.

21 EXPLANATION

22 The bill provides that the amount of the additional personal  
23 property tax credit for taxes payable in the fiscal year  
24 beginning July 1, 1980 and ending June 30, 1981 shall not  
25 exceed the amount of the additional personal property tax  
26 credit allowed for taxes payable in the fiscal year beginning  
27 July 1, 1979 and ending June 30, 1980 thereby placing a one-  
28 year freeze on the personal property tax phaseout. The bill  
29 also provides for complete valuation of personal property  
30 in even-numbered year and also provides for collection of  
31 agricultural statistics in even-numbered year when the  
32 assessors are valuing all personal property. The bill takes  
33 effect July first following enactment.

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H-6385

- 1 Amend House File 2597 as follows:  
 2 1. Page 1, by striking lines 1 through 14.  
 3 2. Page 2, by striking lines 16 through 35.  
 4 3. Page 3, by striking lines 1 through 20.  
 5 4. Renumber sections and correct internal  
 6 references as are necessary in accordance with this  
 7 amendment.

H-6385 FILED APRIL 25, 1980

BY NORLAND of Worth

DIV. A - LOST (p. 2117)

DIV. B - LOST "

HOUSE FILE 2597

H-6386

- 1 Amend House File 2597 as follows:  
 2 1. Page 2, by inserting after line 15 the following  
 3 new section:  
 4 "Sec. \_\_\_\_ . Section four hundred twenty-seven A  
 5 point twelve (427A.12), subsection five (5), Code  
 6 1979, is amended by striking the subsection and  
 7 inserting in lieu thereof the following:  
 8 5. For each state fiscal year ending with or  
 9 before the year in which the ninth increase in the  
 10 additional personal property tax credit under this  
 11 division becomes effective each taxing district shall  
 12 be reimbursed from the personal property tax  
 13 replacement fund in an amount equal to the statement  
 14 filed under section four hundred twenty-seven A point  
 15 six (427A.6) of the Code."  
 16 2. Renumber sections and correct internal  
 17 references as are necessary in accordance with this  
 18 amendment.

BY CONNOLLY of Dubuque  
 SHIMANEK of Jones  
 WELSH of Dubuque  
 HANSON of Delaware  
 CRAWFORD of Story  
 JOCHUM of Dubuque

H-6386 FILED

APRIL 25, 1980

ADOPTED (p. 2120)

HOUSE FILE 2597

H-6390

- 1 Amend House File 2597 as follows:  
 2 1. Title page, line 9, by inserting after the word  
 3 "statistics" the following: "and providing for the  
 4 reimbursement of each taxing district in an amount  
 5 equal to the statement filed under section four hundred  
 6 twenty-seven A point six (427A.6) of the Code".

H-6390 FILED APRIL 25, 1980

BY WEST of Marshall

ADOPTED BY UNANIMOUS CONSENT (p. 2121)

HOUSE FILE 2597

H-6389

- 1 Amend House File 2597 as follows:  
 2 1. Page 1, line 11, by striking the words "enable  
 3 him to return" and inserting in lieu thereof the  
 4 following: "~~enable-him-to-return~~ allow the return of".

H-6389 FILED APRIL 25, 1980

BY LLOYD-JONES of Johnson

ADOPTED BY UNANIMOUS CONSENT (p. 2121)

HOUSE FILE 2597  
FISCAL NOTE

REQUESTED BY SENATOR CRAFT APRIL 25, 1980

In compliance with a written request there is hereby submitted a Fiscal Note for House File 2597 pursuant to Joint Rule 16.

House File 2597, An Act to provide for a temporary one-year delay in the phase-out of personal property taxes by providing that the amount of the personal property tax credit for taxes payable in the fiscal year beginning July 1, 1980 and ending June 30, 1981 shall not exceed the amount of the personal property tax credit allowed for taxes payable in the fiscal year beginning July 1, 1979 and ending June 30, 1980 including the duties of assessors in valuing personal property and collection of agricultural statistics and providing for the reimbursement of each taxing district in an amount equal to the statement filed under section four hundred twenty-seven A point six (427A.6) of the Code.

House File 2597 delays the phase-out in the personal property tax during fiscal year 1981. This delay has the effect of freezing the amount of state funding for personal property tax credit at the fiscal '80 level of \$42.4 million. With no delay in the phase-out FY 1981 cost of funding the credit would be \$46.2 million, thus the one year delay saves \$3.8 million.

FILED:  
APRIL 25, 1980

BY GERRY RANKIN, DIRECTOR  
LEGISLATIVE FISCAL BUREAU

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HOUSE FILE 2597

S-5962

- 1 Amend House File 2597 as amended, passed and
- 2 reprinted by the House as follows:
- 3 1. Page 2, line 32, by striking the figure "1980"
- 4 and inserting in lieu thereof the figure "1981".
- 5 2. Page 3, by striking lines 28 through 31.

S-5962 FILED  
APRIL 25, 1980

BY NORMAN RODGERS

LOST (P 1724)

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HOUSE FILE 2597

S-5963

- 1 Amend House File 2597 as amended, passed and re-
- 2 printed by the House as follows:
- 3 1. Page 2, by striking lines 16 through 26.
- 4 2. Title, by striking lines 9 through 12 and
- 5 inserting in lieu thereof the words "property and
- 6 collection of agricultural statistics."

S-5963 FILED & ADOPTED  
APRIL 25, 1980 (P 1726)

BY BERL E. PRIEBE

*Am. Ways & Means, H. Res. 4/25 (p. 1765)*

HOUSE FILE 2597

By COMMITTEE ON WAYS AND MEANS

(As Amended and Passed by the House)

Passed House, Date 4/26/80 (p. 2213) Passed Senate, Date 4/25/80 (p. 1770)

Vote: Ayes 85 Nays 14 Vote: Ayes 32 Nays 16

Approved May 21, 1980

### A BILL FOR

1 An Act to provide for a temporary one-year delay in the phase-  
 2 out of personal property taxes by providing that the amount  
 3 of the personal property tax credit for taxes payable  
 4 in the fiscal year beginning July 1, 1980 and ending  
 5 June 30, 1981 shall not exceed the amount of the personal  
 6 property tax credit allowed for taxes payable in the  
 7 fiscal year beginning July 1, 1979 and ending June 30, 1980  
 8 including the duties of assessors in valuing personal  
 9 property and collection of agricultural statistics and  
 10 providing for the reimbursement of each taxing district  
 11 in an amount equal to the statement filed under section  
 12 four hundred twenty-seven A point six (427A.6) of the Code.

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

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#### SENATE AMENDMENT TO HOUSE FILE 2597

H-6414

1 Amend House File 2597 as amended, passed and  
 2 reprinted by the House as follows:  
 3 1. Page 2, by striking lines 16 through 26.  
 4 2. Title, by striking lines 9 through 12 and  
 5 inserting in lieu thereof the words "property and  
 6 collection of agricultural statistics."

H-6414 FILED APRIL 25, 1980

RECEIVED FROM THE SENATE

*House concurred 4/26 (p. 2213)*

1 Section 1. Section one hundred fifty-nine point eleven  
2 (159.11), Code 1979, is amended to read as follows:

3 159.11 ASSESSOR. Agricultural statistics shall be  
4 collected each even-numbered year by the assessors under the  
5 supervision of the department, which shall design and  
6 distribute blank forms and instructions ~~therefor~~.

7 Sec. 2. Section one hundred fifty-nine point twelve  
8 (159.12), Code 1979, is amended to read as follows:

9 159.12 RETURNS BY ASSESSOR. The assessor shall require  
10 each person whose property is listed, to make answers to such  
11 inquiries as may be necessary to ~~enable-him-to-return~~ allow  
12 the return of the foregoing statistics, carefully footed and  
13 summarized, to the department on or before the fifteenth day  
14 of April of each even-numbered year.

15 Sec. 3. Section four hundred twenty-seven A point nine  
16 (427A.9), unnumbered paragraph two (2), Code 1979, is amended  
17 to read as follows:

18 The amount of the additional personal property tax credit  
19 shall be a fixed amount for each tax year. The amount of  
20 the additional personal property tax credit shall be increased  
21 for the extended tax year beginning January 1, 1974, and  
22 ending June 30, 1975, and shall be increased for each tax  
23 year immediately following a tax year in which the growth  
24 of state general fund revenues, adjusted for changes in rate  
25 or basis, exceeds five and one-half percent, except that the  
26 amount of the additional personal property tax credit for  
27 taxes payable in each year of the fiscal period beginning  
28 July 1, 1977 and ending June 30, 1979 shall not exceed the  
29 amount of the additional personal property tax credit allowed  
30 for taxes payable in the fiscal year beginning July 1, 1976  
31 and ending June 30, 1977 and the amount of the additional  
32 personal property tax credit for taxes payable in the fiscal  
33 year beginning July 1, 1980 and ending June 30, 1981 shall  
34 not exceed the amount of the additional personal property  
35 tax credit allowed for taxes payable in the fiscal year

1 beginning July 1, 1979 and ending June 30, 1980. An increase  
2 in the additional personal property tax credit, once granted,  
3 shall continue for each succeeding tax year. For the purposes  
4 of this chapter the state comptroller may estimate the state  
5 percent of growth if necessary to avoid delay in the collection  
6 of taxes. After nine such increases have been made, all taxes  
7 on personal property shall be repealed as provided in the  
8 following section. The director of revenue and the state  
9 comptroller, jointly, shall determine the amount of the credit  
10 for each such tax year. Such amount shall be the maximum  
11 amount, rounded to the nearest ten dollars, which will permit  
12 complete funding of the replacement obligation under this  
13 division, including the replacement obligation for the tax  
14 credit granted pursuant to sections 427A.1 to 427A.5, out  
15 of the appropriation provided in this chapter.

16 Sec. 4. Section four hundred twenty-seven A point twelve  
17 (427A.12), subsection five (5), Code 1979, is amended by  
18 striking the subsection and inserting in lieu thereof the  
19 following:

20 5. For each state fiscal year ending with or before the  
21 year in which the ninth increase in the additional personal  
22 property tax credit under this division becomes effective  
23 each taxing district shall be reimbursed from the personal  
24 property tax replacement fund in an amount equal to the  
25 statement filed under section four hundred twenty-seven A  
26 point six (427A.6) of the Code.

27 Sec. 5. Section four hundred twenty-eight point four  
28 (428.4), unnumbered paragraph one (1), Code 1979, as amended  
29 by Acts of the Sixty-eighth General Assembly, chapter twenty-  
30 five (25), section two (2), is amended to read as follows:

31 Property shall be assessed for taxation each year. Per-  
32 sonal property shall be listed and assessed each-year in 1980  
33 and every two years thereafter in the name of the owner of  
34 the personal property on the first day of January and the  
35 assessment made shall be the value of the personal property

1 as of January first of the year of the assessment. Real  
2 estate shall be listed and assessed in 1981 and every two  
3 years thereafter. The assessment of real estate shall be  
4 the value of the real estate as of January first of the year  
5 of the assessment. The year 1981 and each odd-numbered year  
6 thereafter shall be a reassessment year. In any year, after  
7 the year in which an assessment has been made of all the real  
8 estate or personal property in any assessing jurisdiction,  
9 it shall be the duty of the assessor to value and assess or  
10 revalue and reassess, as the case may require, any real estate  
11 and personal property that the assessor finds was incorrectly  
12 valued or assessed, or was not listed, valued and assessed,  
13 in the ~~real-estate~~ assessment year immediately preceding,  
14 also any real estate or personal property the assessor finds  
15 has changed in value subsequent to January first of the  
16 preceding real estate or personal property assessment year.  
17 However, a percentage increase on a class of property shall  
18 not be made in a year not subject to an equalization order  
19 unless ordered by the department of revenue. The assessor  
20 shall determine the actual value and compute the taxable value  
21 thereof as of January first of the year of the revaluation  
22 and reassessment. The assessment shall be completed as  
23 specified in section 441.28, but no reduction or increase  
24 in actual value shall be made for prior years. If an assessor  
25 makes a change in the valuation of the real estate as provided  
26 for herein, the provisions of sections 441.23, 441.37, 441.38  
27 and 441.39 shall apply.

28 Sec. 6. The provisions of section five (5) of this Act  
29 are retroactive to January 1, 1980, for the valuation and  
30 assessment of personal property as provided under section  
31 five (5) of this Act.

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HOUSE FILE 2597

AN ACT

TO PROVIDE FOR A TEMPORARY ONE-YEAR DELAY IN THE PHASEOUT OF PERSONAL PROPERTY TAXES BY PROVIDING THAT THE AMOUNT OF THE PERSONAL PROPERTY TAX CREDIT FOR TAXES PAYABLE IN THE FISCAL YEAR BEGINNING JULY 1, 1980 AND ENDING JUNE 30, 1981 SHALL NOT EXCEED THE AMOUNT OF THE PERSONAL PROPERTY TAX CREDIT ALLOWED FOR TAXES PAYABLE IN THE FISCAL YEAR BEGINNING JULY 1, 1979 AND ENDING JUNE 30, 1980 INCLUDING THE DUTIES OF ASSESSORS IN VALUING PERSONAL PROPERTY AND COLLECTION OF AGRICULTURAL STATISTICS.

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

Section 1. Section one hundred fifty-nine point eleven (159.11), Code 1979, is amended to read as follows:

159.11 ASSESSOR. Agricultural statistics shall be collected each even-numbered year by the assessors under the supervision of the department, which shall design and distribute blank forms and instructions ~~therefor~~.

Sec. 2. Section one hundred fifty-nine point twelve (159.12), Code 1979, is amended to read as follows:

159.12 RETURNS BY ASSESSOR. The assessor shall require each person whose property is listed, to make answers to such inquiries as may be necessary to ~~enable-him-to-return~~ allow the return of the ~~foregoing~~ statistics, carefully footed and summarized, to the department on or before the fifteenth day of April of each even-numbered year.

Sec. 3. Section four hundred twenty-seven A point nine (427A.9), unnumbered paragraph two (2), Code 1979, is amended to read as follows:

The amount of the additional personal property tax credit shall be a fixed amount for each tax year. The amount of the additional personal property tax credit shall be increased for the extended tax year beginning January 1, 1974, and ending June 30, 1975, and shall be increased for each tax year immediately following a tax year in which the growth of state general fund revenues, adjusted for changes in rate or basis, exceeds five and one-half percent, except that the amount of the additional personal property tax credit for taxes payable in each year of the fiscal period beginning July 1, 1977 and ending June 30, 1979 shall not exceed the amount of the additional personal property tax credit allowed for taxes payable in the fiscal year beginning July 1, 1976 and ending June 30, 1977 and the amount of the additional personal property tax credit for taxes payable in the fiscal year beginning July 1, 1980 and ending June 30, 1981 shall not exceed the amount of the additional personal property tax credit allowed for taxes payable in the fiscal year beginning July 1, 1979 and ending June 30, 1980. An increase in the additional personal property tax credit, once granted, shall continue for each succeeding tax year. For the purposes of this chapter the state comptroller may estimate the state percent of growth if necessary to avoid delay in the collection of taxes. After nine such increases have been made, all taxes on personal property shall be repealed as provided in the following section. The director of revenue and the state comptroller, jointly, shall determine the amount of the credit for each such tax year. Such amount shall be the maximum amount, rounded to the nearest ten dollars, which will permit complete funding of the replacement obligation under this division, including the replacement obligation for the tax credit granted pursuant to sections 427A.1 to 427A.5, out of the appropriation provided in this chapter.

Sec. 4. Section four hundred twenty-eight point four (428.4), unnumbered paragraph one (1), Code 1979, as amended

by Acts of the Sixty-eighth General Assembly, chapter twenty-five (25), section two (2), is amended to read as follows:

Property shall be assessed for taxation each year. Personal property shall be listed and assessed each-year in 1980 and every two years thereafter in the name of the owner of the personal property on the first day of January and the assessment made shall be the value of the personal property as of January first of the year of the assessment. Real estate shall be listed and assessed in 1981 and every two years thereafter. The assessment of real estate shall be the value of the real estate as of January first of the year of the assessment. The year 1981 and each odd-numbered year thereafter shall be a reassessment year. In any year, after the year in which an assessment has been made of all the real estate or personal property in any assessing jurisdiction, it shall be the duty of the assessor to value and assess or revalue and reassess, as the case may require, any real estate and personal property that the assessor finds was incorrectly valued or assessed, or was not listed, valued and assessed, in the ~~real-estate~~ assessment year immediately preceding, also any real estate or personal property the assessor finds has changed in value subsequent to January first of the preceding real estate or personal property assessment year. However, a percentage increase on a class of property shall not be made in a year not subject to an equalization order unless ordered by the department of revenue. The assessor shall determine the actual value and compute the taxable value thereof as of January first of the year of the revaluation and reassessment. The assessment shall be completed as specified in section 441.28, but no reduction or increase in actual value shall be made for prior years. If an assessor makes a change in the valuation of the real estate as provided for herein, the provisions of sections 441.23, 441.37, 441.38 and 441.39 shall apply.

Sec. 5. The provisions of section four (4) of this Act are retroactive to January 1, 1980, for the valuation and assessment of personal property as provided under section four (4) of this Act.

-----  
WILLIAM H. HARBOR  
Speaker of the House

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TERRY E. BRANSTAD  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2597, Sixty-eighth General Assembly.

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BRUCE GRAHAM  
Assistant Chief Clerk of the House

Approved May 21, 1980

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ROBERT D. RAY  
Governor