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HOUSE FILE 757

WAYS & MEANS CALENDAR

By COMMITTEE ON WAYS AND MEANS

See " " " 5/8

(Formerly Study Bill 238)

Passed House, Date 5-7-79 (p. 2104) Passed Senate, Date _____

Vote: Ayes 83 Nays 16 Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to equalization and assessment procedures by
 2 providing for the valuation of agricultural land on the
 3 basis of its productivity and net earning capacity, pro-
 4 viding for the valuation of agricultural and residential
 5 property at a percentage of its actual value for tax
 6 purposes, providing for the biennial assessment and
 7 equalization of property, providing that equalized
 8 values be included in the assessment for the current
 9 assessment year commencing in 1979, adjusting the
 10 dates related to assessment and equalization completion,
 11 delivery of abstracts of assessments, notification of
 12 taxpayers of adjusted values, the filing of protests
 13 and the sessions of local boards of review and
 14 providing for an interim study of the property tax
 15 structure.

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

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1 Section 1. Section twenty-four point forty-eight (24.48),
2 Code 1979, is amended to read as follows:

3 24.48 APPEAL TO STATE BOARD FOR SUSPENSION OF LIMITATIONS.

4 If the property tax valuations effective ~~January-17-1978,~~
5 ~~or~~ January 1, 1979 and January first of any subsequent year,
6 are reduced or there is an unusually low growth rate in the
7 property tax base of a political subdivision, the political
8 subdivision may appeal to the state appeal board to request
9 suspension of the statutory property tax levy limitations
10 to continue to fund the present services provided. A political
11 subdivision may also appeal to the state appeal board where
12 the property tax base of the political subdivision has been
13 reduced or there is an unusually low growth rate for any of
14 the following reasons:

15 1. Any unusual increase in population as determined by
16 the preceding certified federal census.

17 2. Natural disasters or other emergencies.

18 3. Unusual problems relating to major new functions
19 required by state law.

20 4. Unusual staffing problems.

21 5. Unusual need for additional funds to permit continuance
22 of a program which provides substantial benefit to its
23 residents.

24 6. Unusual need for a new program which will provide
25 substantial benefit to residents, if the political subdivision
26 establishes the need and the amount of the necessary increased
27 cost.

28 The state appeal board may approve or modify the request
29 of the political subdivision for suspension of the statutory
30 property tax levy limitations.

31 Upon decision of the state appeal board, the state
32 comptroller shall make the necessary changes in the total
33 budget of the political subdivision and certify the total
34 budget to the governing body of the political subdivision
35 and the appropriate county auditors.

1 For purposes of this section only, "political subdivision"
2 means a city, county, school district, or any other special
3 purpose district which certifies its budget to the county
4 auditor and derives funds from a property tax levied against
5 taxable property situated within the political subdivision.

6 For the purpose of this section, the city finance committee
7 shall be the state appeal board when the political subdivision
8 is a city.

9 Sec. 2. Section four hundred twenty-eight point four
10 (428.4), unnumbered paragraph one (1), Code 1979, is amended
11 to read as follows:

12 Property shall be assessed for taxation each year. Per-
13 sonal property shall be listed and assessed each year in the
14 name of the owner of the personal property on the first day
15 of January and the assessment made shall be the value of the
16 personal property as of January ± first of the year of the
17 assessment. Real estate shall be listed and assessed in ~~1978~~
18 1981 and every two years thereafter. The assessment of real
19 estate shall be the value of the real estate as of January
20 ± first of the year of the assessment. The year ~~1978~~ 1981
21 and each ~~even-numbered~~ odd-numbered year thereafter shall
22 be a reassessment year. In any year, after the year in which
23 an assessment has been made of all the real estate in any
24 assessing jurisdiction, it shall be the duty of the assessor
25 to value and assess or revalue and reassess, as the case may
26 require, any real estate that the assessor finds was
27 incorrectly valued or assessed, or was not listed, valued
28 and assessed, in the real estate assessment year immediately
29 preceding, also any real estate the assessor finds has changed
30 in value subsequent to January ± first of the preceding real
31 estate assessment year. The assessor shall determine the
32 actual value and compute the taxable value thereof as of
33 January ± first of the year of the revaluation and
34 reassessment. The assessment shall be completed as specified
35 in section 441.28, but no reduction or increase in actual

1 value shall be made for prior years. If an assessor makes
2 a change in the valuation of the real estate as provided for
3 herein, the provisions of sections 441.23, 441.37, 441.38
4 and 441.39 shall apply.

5 Sec. 3. Section four hundred forty-one point twenty-one
6 (441.21), subsection one (1), unnumbered paragraphs two (2),
7 six (6) and eight (8), Code 1979, are amended to read as
8 follows:

9 The actual value of all property subject to assessment
10 and taxation shall be the fair and reasonable market value
11 of such property except as otherwise provided in this section.
12 "Market value" is defined as the fair and reasonable exchange
13 in the year in which the property is listed and valued between
14 a willing buyer and a willing seller, neither being under
15 any compulsion to buy or sell and each being familiar with
16 all the facts relating to the particular property. Sale
17 prices of the property or comparable property in normal
18 transactions reflecting market value, and the probable
19 availability or unavailability of persons interested in
20 purchasing the property, shall be taken into consideration
21 in arriving at its market value. In arriving at market value,
22 sale prices of property in abnormal transactions not reflecting
23 market value shall not be taken into account, or shall be
24 adjusted to eliminate the effect of factors which distort
25 market value, including but not limited to sales to immediate
26 family of the seller, foreclosure or other forced sales,
27 contract sales, discounted purchase transactions or purchase
28 of adjoining land or other land to be operated as a unit.

29 ~~Notwithstanding the provisions of this section, in assessing~~
30 ~~and determining the actual value of agricultural property~~
31 ~~as of January 1, 1978, and January 1, 1979, the~~ The actual
32 value of agricultural property shall be determined on the
33 basis of productivity and net earning capacity of the property
34 determined on the basis of its use for agricultural purposes
35 capitalized at a rate of seven percent and applied uniformly

1 among counties and among classes of property.

2 Notwithstanding any other provision of this section, the
3 actual value of any property shall not exceed its fair and
4 reasonable market value, except agricultural property which
5 shall be valued exclusively as provided in unnumbered paragraph
6 six (6) of this subsection. ~~For agricultural property, the~~
7 ~~assessed value as determined under this section shall not~~
8 ~~exceed the actual value of such property and the assessed~~
9 ~~value of residential property as determined under this section~~
10 ~~shall not exceed the fair and reasonable market value of such~~
11 ~~property.~~

12 Sec. 4. Section four hundred forty-one point twenty-one
13 (441.21), subsection one (1), Code 1979, is amended by striking
14 paragraphs a and b and unnumbered paragraph five (5).

15 Sec. 5. Section four hundred forty-one point twenty-one
16 (441.21), subsections five (5), eight (8), and twelve (12),
17 Code 1979, are amended to read as follows:

18 5. For valuations established as of January 1, 1979, the
19 percentage of actual value at which agricultural and
20 residential property shall be assessed shall be the quotient
21 of the dividend and divisor as defined in this section. The
22 dividend for each class of property shall be the dividend
23 as determined for each class of property for valuations
24 established as of January 1, 1978, adjusted by the product
25 obtained by multiplying the percentage determined for that
26 year by the amount of any additions or deletions to actual
27 value, excluding those resulting from the revaluation of
28 existing properties, as reported by the assessors on the
29 abstracts of assessment for 1978, plus six percent of the
30 amount so determined. However, if the difference between
31 the dividend so determined for either class of property and
32 the dividend for that class of property for valuations
33 established as of January 1, 1978, adjusted by the product
34 obtained by multiplying the percentage determined for that
35 year by the amount of any additions or deletions to actual

1 value, excluding those resulting from the revaluation of
2 existing properties, as reported by the assessors on the
3 abstracts of assessment for 1978, is less than six percent,
4 the 1979 dividend for the other class of property shall be
5 the dividend as determined for that class of property for
6 valuations established as of January 1, 1978, adjusted by
7 the product obtained by multiplying the percentage determined
8 for that year by the amount of any additions or deletions
9 to actual value, excluding those resulting from the revaluation
10 of existing properties, as reported by the assessors on the
11 abstracts of assessment for 1978, plus a percentage of the
12 amount so determined which is equal to the percentage by which
13 the dividend as determined for the other class of property
14 for valuations established as of January 1, 1978, adjusted
15 by the product obtained by multiplying the percentage
16 determined for that year by the amount of any additions or
17 deletions to actual value, excluding those resulting from
18 the revaluation of existing properties, as reported by the
19 assessors on the abstracts of assessment for 1978, is increased
20 in arriving at the 1979 dividend for the other class of
21 property. The divisor for each class of property shall be
22 the total actual value of all such property in the state in
23 the preceding year, as reported by the assessors on the
24 abstracts of assessment submitted for 1978, plus the amount
25 of value added to said total actual value by the revaluation
26 of existing properties in 1979 as equalized by the director
27 of revenue pursuant to section four hundred forty-one point
28 forty-nine (441.49) of the Code. The director shall utilize
29 information reported on abstracts of assessment submitted
30 pursuant to section 441.45 in determining such percentage.
31 For valuations established as of January 1, 1980, and each
32 year thereafter, the percentage of actual value as equalized
33 by the director of revenue as provided in section four hundred
34 forty-one point forty-nine (441.49) of the Code at which
35 agricultural and residential property shall be assessed shall

1 be calculated in accordance with the methods provided herein
2 adjusted to include the applicable and current values as
3 equalized by the director of revenue, except that any
4 references to six percent in this subsection shall be four
5 percent.

6 8. For valuations established as of January 1, 1979,
7 against which taxes will be levied for the fiscal year
8 beginning in the 1979 calendar year by any special charter
9 city that levies and collects its own taxes, the percentage
10 of actual value at which agricultural and residential property
11 shall be assessed shall be the quotient of the dividend and
12 divisor as defined in this section. The dividend for each
13 class of property shall be the valuation for each class of
14 property for valuations established as of January 1, 1978,
15 and upon which any special charter city levied its taxes in
16 1978, adjusted by the product obtained by multiplying the
17 percentage determined for that year by the amount of any
18 additions or deletions to actual value, excluding those
19 resulting from the revaluation of existing properties, as
20 reported by the assessor on the abstract of assessment for
21 1978, plus six percent of the amount so determined. The
22 divisor for each class of property shall be the total actual
23 value of all such property in the city in the preceding year,
24 as reported by the assessor on the abstract of assessment
25 submitted for 1978, plus the amount of value added to said
26 total actual value by the revaluation of existing properties
27 in 1979. However, if the estimated statewide growth in
28 assessed valuation is less than six percent for either class
29 of property for 1979, the director shall estimate the
30 percentages by which the statewide valuation of residential
31 and agricultural property will increase in 1979. The lower
32 percentage shall be used in lieu of six percent for both
33 classes of property in calculating the percentages at which
34 agricultural and residential property shall be assessed.
35 The percentage at which agricultural and residential property

1 shall be assessed will be certified by the director on or
2 before May 31, 1979 to the appropriate city official in special
3 charter cities that levy and collect their own taxes. The
4 percentage so certified shall be applicable only to those
5 valuations against which the special charter city levies its
6 own tax. For valuations established as of January 1, 1980,
7 and each year thereafter for any special charter city that
8 levies and collects its own taxes, the percentage of actual
9 value as equalized by the director of revenue as provided
10 in section four hundred forty-one point forty-nine (441.49)
11 of the Code at which agricultural and residential property
12 shall be assessed shall be calculated in accordance with the
13 methods provided herein adjusted to include the applicable
14 and current values as equalized by the director of revenue,
15 except that any references to six percent in this subsection
16 shall be four percent. The assessor shall provide valuation
17 information to the director of revenue sufficient for the
18 computation of the assessment percentage by May fifteenth
19 of each year on forms prescribed by the director of revenue.

20 12. Not later than ~~November 1, 1978~~ and November 1, 1979,
21 and November first of each subsequent year, the director shall
22 certify to the county auditor of each county the percentages
23 of actual value at which residential and agricultural property
24 in each assessing jurisdiction in the county shall be assessed
25 for taxation. The county auditor shall proceed to determine
26 the assessed values of agricultural and residential property
27 by applying such percentages to the current actual value of
28 such property, as reported to the county auditor by the
29 assessor, and the assessed values so determined shall be the
30 taxable values of such properties upon which the levy shall
31 be made.

32 Sec. 6. Section four hundred forty-one point twenty-one
33 (441.21), subsection six (6), Code 1979, is amended to read
34 as follows:

35 6. Beginning with valuations established as of January

1 1, 1978, the assessors shall report the aggregate taxable
2 values and the number of dwellings located on agricultural
3 land and the aggregate taxable value of all other structures
4 on agricultural land. Beginning with valuations established
5 as of January 1, ~~1980~~ 1981, such agricultural structures and
6 agricultural dwellings located on agricultural land shall
7 be valued at their market value as defined in this section
8 and agricultural structures and agricultural dwellings shall
9 each constitute a separate class of property.

10 Sec. 7. Section four hundred forty-one point twenty-three
11 (441.23), Code 1979, is amended to read as follows:

12 441.23 NOTICE OF VALUATION. If there has been an increase
13 or decrease in the valuation of the property, or upon the
14 written request of the person assessed, the assessor shall,
15 at the time of making the assessment, inform the person
16 assessed, in writing, of the valuation put upon the taxpayer's
17 property, and notify the person, if he or she feels aggrieved,
18 to appear before the board of review and show why the
19 assessment should be changed. ~~in-odd-numbered-years,-the~~
20 The owners of real property shall be notified not later than
21 April ~~15~~ fifteenth of any adjustment of the real property
22 assessment. ~~in-even-numbered-years,-the-notice-of-an-increase~~
23 ~~or-decrease-in-the-valuation-of-the-property-shall-be-provided~~
24 ~~to-the-owners-of-real-property-not-later-than-June-30-as~~
25 ~~provided-in-section-441-49-~~

26 Sec. 8. Section four hundred forty-one point twenty-six
27 (441.26), Code 1979, is amended to read as follows:

28 441.26 ASSESSMENT ROLLS AND BOOKS. The director of revenue
29 shall each year prescribe the form of assessment roll to be
30 used by all assessors in assessing real and personal property,
31 including moneys and credits, in this state, also the form
32 of pages of the assessor's assessment book. Such assessment
33 rolls shall be in such form as will permit entering thereon,
34 separately, the names of all persons, partnerships, corpora-
35 tions, or associations assessed; shall contain a form of oath

1 or affirmation to be administered to each person assessed,
2 and shall also contain a notice in substantially the following
3 form:

4 "If you are not satisfied that the foregoing assessment
5 is correct, you may file a protest against such assessment
6 with the board of review on or after April 16 sixteenth, to
7 and including May 5 fifth, of the year of the assessment,
8 such protest to be confined to the grounds specified in section
9 441.37. Dated day of, 19.....,
10 County/City Assessor."

11 ~~The dates specified in the notice sent to the owner of~~
12 ~~property in even-numbered years shall contain the dates for~~
13 ~~filing of protests as provided in section 441.49.~~

14 The notice in 1981 and each odd-numbered year thereafter
15 shall contain a statement that the assessments are subject
16 to equalization pursuant to an order issued by the director
17 of revenue, that the county auditor shall give notice on or
18 before October fifteenth by publication in an official
19 newspaper of general circulation to any class of property
20 affected by the equalization order, and that the board of
21 review shall be in session from October fifteenth to November
22 fifteenth to hear protests of affected property owners or
23 taxpayers whose valuations have been adjusted by the
24 equalization order.

25 Such assessment rolls shall be used in listing the property
26 and showing the values affixed to such property of all persons,
27 partnerships, corporations, or associations assessed, which
28 rolls shall be made in duplicate. Said duplicate roll shall
29 be signed by the assessor, detached from the original and
30 delivered to the person assessed if there has been an increase
31 or decrease in the valuation of the property, or upon the
32 written request of the person assessed. It shall be lawful
33 to combine the affidavit or form of oath or affirmation with
34 reference to real and personal property, and the affidavit
35 or form of oath or affirmation as to moneys and credits, into

1 one affidavit or form of oath or affirmation, and only the
2 one such affidavit or form of oath or affirmation shall be
3 sufficient on the assessment roll. The pages of the assessor's
4 assessment book shall contain columns ruled and headed for
5 the information required by this chapter and that which the
6 director of revenue may deem essential in the equalization
7 work of the director. The assessor shall return all assessment
8 rolls and any schedules therewith to the county auditor, along
9 with the completed assessment book, as provided in this
10 chapter, and the county auditor shall carefully keep and
11 preserve all such rolls, schedules and book for a period of
12 five years from the time of filing of the same in ~~his~~ the
13 county auditor's office.

14 Beginning with valuations for January 1, 1977 and each
15 succeeding year, for each parcel of property entered in the
16 assessment book, the assessor shall list the classification
17 of the property.

18 Sec. 9. Section four hundred forty-one point twenty-eight
19 (441.28), Code 1979, is amended to read as follows:

20 441.28 ASSESSMENT ROLLS--CHANGE--NOTICE TO TAXPAYER.

21 The assessment shall be completed not later than April ~~15~~
22 ~~in-odd-numbered-years-and-not-later-than-May-15-in-even-~~
23 ~~numbered-years~~ fifteenth each year. If the assessor makes
24 any change in an assessment after it has been entered on the
25 assessor's rolls, he the assessor shall note on said roll,
26 together with the original assessment, the new assessment
27 and the reason for the change, together with ~~his~~ the assessor's
28 signature and the date of the change. Provided, however,
29 in the event the assessor increases any assessment he the
30 assessor shall give notice in writing thereof to the taxpayer
31 by mail prior to the meeting of the board of review. No
32 changes shall be made on the assessment rolls after April
33 ~~15-in-odd-numbered-years-and-after-May-15-in-even-numbered~~
34 ~~years~~ fifteenth except by order of the board of review or
35 by decree of court.

1 Sec. 10. Section four hundred forty-one point thirty
2 (441.30), Code 1979, is amended to read as follows:

3 441.30 COMPLETION OF ASSESSMENT--OATH. The assessment
4 shall be completed by ~~the first day of May in odd-numbered~~
5 ~~years or June 1 in even-numbered years~~; April fifteenth and
6 the assessor shall attach to the assessment rolls his or her
7 oath in the following form:

8 "I, (A B), assessor of city/county
9 of state of Iowa, do solemnly swear (or affirm)
10 that the taxable values of all property, money, and credits,
11 of which a statement has been made and verified by the oath
12 of the person required to list the same, is herein set forth
13 in such statement; that in every case, where I have been
14 required to ascertain the amount or value of any property,
15 I have diligently, and by the best means in my power,
16 endeavored to ascertain the true amount and value, and as
17 I verily believe the taxable values thereof are set forth
18 in the annexed return; in no case have I knowingly omitted
19 to demand of any person, of whom I was required to do so,
20 a statement of the items of ~~his~~ the person's property which
21 ~~he~~ the person was required by law to list, nor to administer
22 the oath to ~~him~~ the person, unless ~~he~~ the person refused to
23 take it, nor in any way connive at any violation or evasion
24 of any of the requirements of the law in relation to the
25 assessment of property for taxation.

26

27 Assessor

28 Subscribed and sworn to (or affirmed) this day
29 of A.D....., before me.

30

31 Notary Public/Clerk of Court"

32 Sec. 11. Section four hundred forty-one point thirty-three
33 (441.33), Code 1979, is amended to read as follows:

34 441.33 SESSIONS OF BOARD OF REVIEW. The board of review
35 shall be in session from May 1 first to May 31 in thirty-first

1 each ~~odd-numbered~~ year and for such additional period as may
2 be required under section 441.37 and shall hold as many
3 meetings as are necessary to discharge its duties. On June
4 ~~±~~ first in any-~~odd-numbered-year~~ those years in which a session
5 has not been extended as required under section 441.37, said
6 board shall return all books, records and papers to the
7 assessor except undisposed of protests and records pertaining
8 thereto. If it has not completed its work prior to June ~~±~~
9 first, in those years in which the session has not been
10 extended under section 441.37 the director of revenue may
11 authorize the board of review to continue in session for
12 such period as is necessary to complete its work, but in no
13 event shall the director of revenue approve a continuance
14 extending beyond July ~~±~~ fifteenth. On June ~~±~~ first or on
15 the final day of any extended session required under section
16 441.37 or authorized by the director of revenue as herein
17 provided the board of review shall be adjourned until May
18 ~~±~~ first of the following year. It shall adopt its own rules
19 of procedure, elect its own chairman from its membership,
20 and keep minutes of its meetings. The board shall appoint
21 a clerk who may be a member of such board or any other
22 qualified person, except the assessor or any member of ~~his~~
23 the assessor's staff. It may be reconvened by the director
24 of revenue. All undisposed protests in its hands on July
25 ~~±~~ fifteenth shall be automatically overruled and returned
26 to the assessor together with its other records.

27 ~~In-even-numbered-years,-the-board-of-review-shall-be-in~~
28 ~~session-at-the-times-designated-in-section-441-49-~~

29 Within fifteen days following the adjournment of any regular
30 or special session, the board of review shall submit to the
31 director of revenue, on forms prescribed by the director,
32 a report of any actions taken during that session.

33 Sec. 12. Section four hundred forty-one point thirty-seven
34 (441.37), unnumbered paragraph one (1), Code 1979, is amended
35 to read as follows:

1 Any property owner or aggrieved taxpayer who is dissatisfied
2 with his or her assessment may file a protest against such
3 assessment with the board of review on or after April 16
4 sixteenth, to and including May 5 fifth, of the year of the
5 assessment. In any county which has been declared to be a
6 disaster area by proper federal authorities after March 1
7 first and prior to May 20 twentieth of said year of assessment,
8 the board of review shall be authorized to remain in session
9 until June fifteenth and the time for filing a protest shall
10 be extended to and include the period from May 25 twenty-fifth
11 to June 5 fifth of such year. Said protest shall be in writing
12 and signed by the one protesting or by his or her duly
13 authorized agent. ~~The dates specified in this section shall~~
14 ~~apply only in odd-numbered years.---The time for filing of~~
15 ~~protests in even-numbered years shall be as provided in section~~
16 ~~441-49.---Taxpayer~~ The taxpayer may have an oral hearing thereon
17 if request therefor in writing is made at the time of filing
18 the protest. Said protest must be confined to one or more
19 of the following grounds:

20 Sec. 13. Section four hundred forty-one point forty-five
21 (441.45), Code 1979, is amended to read as follows:

22 441.45 ABSTRACT TO STATE DEPARTMENT OF REVENUE. The
23 county assessor of each county and each city assessor shall,
24 on or before July 1 ~~in odd-numbered years and on or before~~
25 ~~September 15 in even-numbered years~~ first of each year, make
26 out and transmit to the department of revenue an abstract
27 of the real and personal property in his or her county or
28 city, as the case may be, and file a copy thereof with the
29 county auditor, in which ~~he~~ the assessor shall set forth:

30 1. The number of acres of land and the aggregate taxable
31 values of the same, exclusive of city lots, returned by the
32 assessors, as corrected by the board of review.

33 2. The aggregate taxable values of real estate by class
34 in each school district, township and city in the county,
35 returned as corrected by the board of review.

1 3. The aggregate taxable values of personal property.

2 4. Other facts as may be required by the director of
3 revenue.

4 In any case where a board of review continues in session
5 beyond June ~~17--in-any-odd-numbered-year,--or-beyond-August~~
6 ~~15--in-even-numbered-years~~ first, under provisions of sections
7 441.33 and 441.37 the abstract of the real and personal prop-
8 erty shall be made out and transmitted to the department of
9 revenue within fifteen days after the date of final adjournment
10 by said board.

11 Sec. 14. Section four hundred forty-one point forty-eight
12 (441.48), Code 1979, is amended to read as follows:

13 441.48 NOTICE OF ADJUSTMENT. Before the director of
14 revenue shall adjust the valuation of any class of property
15 any such percentage, the director shall serve ten days' notice
16 by mail, on the ~~assessor~~ county auditor of the county whose
17 valuation is proposed to be adjusted and the director shall
18 hold an adjourned meeting after such ten days' notice, at
19 which time ~~such~~ the county or assessing jurisdiction may
20 appear by its city council or board of supervisors, city or
21 county attorney, and other assessing jurisdiction, city or
22 county officials, and make written or oral protest against
23 such proposed adjustment, which protest shall consist simply
24 of a statement of the error, or errors, complained of with
25 such facts as may lead to their correction, and at such
26 adjourned meeting final action may be taken in reference
27 thereto.

28 Sec. 15. Section four hundred forty-one point forty-nine
29 (441.49), Code 1979, is amended by striking the section and
30 inserting in lieu thereof the following:

31 441.49 ADJUSTMENT BY AUDITOR. The director shall keep
32 a record of the review and adjustment proceedings and finish
33 the proceedings on or before October first unless for good
34 cause the proceedings cannot be completed by that date. The
35 director shall notify each county auditor by mail of the final

1 action taken at the proceedings and specify any adjustments
2 in the valuations of any class of property to be made effective
3 for the jurisdiction.

4 However, an assessing jurisdiction may request the director
5 to permit the use of an alternative method of applying the
6 equalization order to the property values in the assessing
7 jurisdiction, provided that the final valuation shall be
8 equivalent to the director's equalization order. The assessing
9 jurisdiction shall notify the county auditor of the request
10 for the use of an alternative method of applying the
11 equalization order and the director's disposition of the
12 request. The request to use an alternative method of applying
13 the equalization order, including procedures for notifying
14 affected property owners and appealing valuation adjustments,
15 shall be made within ten days from the date the county auditor
16 receives the equalization order and the valuation adjustments,
17 and appeal procedures shall be completed by November thirtieth
18 of the year of the equalization order. Compliance with the
19 provisions of section four hundred forty-one point twenty-
20 one (441.21) of the Code is sufficient grounds for the direc-
21 tor to permit the use of an alternative method of applying
22 the equalization order.

23 On or before October fifteenth the county auditor shall
24 notify by publication in official newspapers of general cir-
25 culation any class or classes of property affected by an
26 equalization order. Failure to publish the equalization order
27 has no effect upon the validity of the orders.

28 The county auditor shall add to or deduct from the valua-
29 tion of each class of property in the county the required
30 percentage, rejecting all fractions of fifty cents or less
31 in the result, and counting all fractions over fifty cents
32 as one dollar. The required percentage adjustments shall
33 not be applied to the property referred to in section four
34 hundred twenty-seven A point one (427A.1), subsection six
35 (6), of the Code. For any special charter city that levies

1 and collects its own tax based on current year assessed values,
2 the equalization percentage shall be applied to the following
3 year's values, and shall be considered the equalized values
4 for that year for purposes of this chapter.

5 The local board of review shall reconvene in special session
6 from October fifteenth to November fifteenth for the purpose
7 of hearing the protests of affected property owners or
8 taxpayers within the jurisdiction of the board whose valua-
9 tion of property if adjusted pursuant to the equalization
10 order issued by the director of revenue will result in a
11 greater value than permitted under section four hundred forty-
12 one point twenty-one (441.21) of the Code, and if the prop-
13 erty owner is able to show to the satisfaction of the local
14 board of review that an inequity would result if the provi-
15 sions of the order are applied to his or her property. The
16 board of review shall accept protests only during the first
17 ten days following the date the local board of review
18 reconvenes. The board of review shall limit its review to
19 only the timely filed protests. The board of review may
20 adjust all or a part of the percentage increase ordered by
21 the director of revenue by adjusting the actual value of the
22 property under protest to one hundred percent of actual value.
23 Any adjustment so determined by the board of review shall
24 not exceed the percentage increase provided for in the
25 director's equalization order. The determination of the board
26 of review on filed protests is final, subject to review by
27 the director of revenue for the purpose of determining whether
28 the board's actions substantially altered the equalization
29 order. In making the review, the director has all the powers
30 provided in chapter four hundred twenty-one (421) of the Code,
31 and in exercising the powers the director is not subject to
32 chapter seventeen A (17A) of the Code. Not later than ten
33 days following the adjournment of the board, the board of
34 review shall submit to the director of revenue, on forms
35 prescribed by the director, a report of all actions taken

1 by the board of review during this session.

2 Not later than ten days after the date the final equali-
3 zation order is issued, the city or county officials of the
4 affected county or assessing jurisdiction may appeal the final
5 equalization order to the state board of tax review. The
6 appeal shall not delay the implementation of the equalization
7 orders.

8 Tentative and final equalization orders issued by the
9 director of revenue are not rules as defined in section seven-
10 teen A point two (17A.2), subsection seven (7) of the Code.

11 Sec. 16. The legislative council is directed to create
12 a ten-member study committee composed of five members each
13 from the standing committees on ways and means of the senate
14 and house of representatives representing both political
15 parties, which committee shall conduct during the 1979 legis-
16 lative interim a comprehensive study of the present property
17 tax structure. The study shall include, but not be limited
18 to, the following:

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

21 2. The impact of property taxes upon multi-family and
22 multi-purpose residential property, determining the amount
23 of such property in this state.

24 3. The impact of the current property tax system on com-
25 mercial property.

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

30 The study committee shall transmit copies of its final
31 report to the governor and the members of the Sixty-eighth
32 General Assembly, 1980 Session, not later than January 30,
33 1980. The final report shall include findings of fact and
34 its recommendations.

35

EXPLANATION

1 The bill provides for the assessment of property in odd-
2 numbered years beginning in 1981. The bill provides for the
3 valuation of agricultural land on the basis of its productivity
4 with a seven percent capitalization rate. Residential property
5 and agricultural property shall continue to have an assessed
6 value which is a percentage of its market value or actual
7 value. The increase allowed under the present law in 1979
8 is six percent. The allowable increase in 1980 and future
9 years is four percent. Because the bill provides for
10 assessment of property in odd-numbered years, the valuation
11 of agricultural buildings and structures at market value will
12 begin in 1981. Equalization order will be retroactive under
13 the bill. The bill also directs that an interim study be
14 made of the property tax structure.

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H-4285

1 Amend House File 757 as follows:

2 1. Page 8, by inserting after line 9 the following
3 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

1 on the abstracts of assessment submitted in 1981,
2 plus four 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 four 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 four 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.

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 ,

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 four
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-4283

1 Amend House File 757 as follows:

- 2 1. Page 15, line 24, by striking the words "notify
3 by publication" and inserting in lieu thereof the
4 words "cause to be published".
5 2. Page 15, line 25, by striking the words "any
6 class or classes or property affected by an" and
7 inserting in lieu thereof the words "the final".
8 3. Page 15, lines 32 through 35, by striking the
9 words "The required percentage adjustments shall not
10 be applied to the property referred to in section
11 four hundred twenty-seven A point one (427A.1),
12 subsection six (6), of the Code."
13 4. Page 16, lines 12 through 15, by striking the
14 words ", and if the property owner is able to show
15 to the satisfaction of the local board of review that
16 an inequity would result if the provisions of the
17 order are applied to his or her property".

H-4283 FILED, ADOPTED (p. 2094)
MAY 7, 1979

BY WEST of Marshall
NORLAND of Worth

HOUSE FILE 757

H-4284

1 Amend House File 757 as follows:

- 2 1. Page 12, by inserting after line 32 the
3 following:
4 "Sec. _____. Section four hundred forty-one point
5 thirty-five (441.35), Code 1979, is amended by
6 adding the following new subsection:
7 NEW SUBSECTION. To equalize assessments where
8 an adjustment in the valuations for each class of
9 property has been ordered by the director of revenue
10 in the final equalization order so that the valua-
11 tions for each class of property shall not exceed by
12 more than five percent the adjustment in the valua-
13 tions for each class of property as ordered by the
14 director of revenue in the final equalization order."

H-4284 FILED, WITHDRAWN (p. 2098)
MAY 7, 1979

BY SPEAR of Lee
GETTINGS of Wapello

HOUSE FILE 757

H-4286

1 Amend House File 757 as follows:

- 2 1. Page 2, line 17, by inserting after the
3 word "assessment" the following: "however, if the
4 assessed value of the personal property of an owner
5 for the prior year was less than eighty percent of
6 the credit provided in chapter four hundred twenty-
7 seven A (427A) of the Code, and there have been no
8 additions, the list from the prior year may be used".

H-4286 FILED, LOST (p. 2093)
MAY 7, 1979

ANDERSON of Jasper

HOUSE FILE 757

H-4292

- 1 Amend House File 757 as follows:
2 1. Page 8, lines 3 and 4, by striking the words
3 "and the aggregate taxable value of all other
4 structures on agricultural land" and inserting in
5 lieu thereof the words "~~and-the-aggregate-taxable~~
6 ~~value-of-all-other-structures-on-agricultural-land~~".
7 2. Page 8, line 5, by striking the words
8 "agricultural structures and" and inserting in lieu
9 thereof the words "~~agricultural-structures-and~~".
10 3. Page 8, line 8, by striking the words
11 "agricultural structures and" and inserting in lieu
12 thereof the words "~~agricultural-structures-and~~".
13 4. Page 8, line 9, by striking the word "each"
14 and inserting in lieu thereof the word "each".

BY ANDERSON of Jasper
DAVITT of Warren
NORLAND of Worth
COCHRAN of Webster
GETTINGS of Wapello

H-4292 FILED, LOST (*p. 2160*)
MAY 7, 1979

HOUSE FILE 757

H-4289

- 1 Amend House File 757 as follows:
2 1. Page 7, by striking lines 32 through 35.
3 2. Page 8, by striking lines 1 through 9.

H-4289 FILED, LOST (*p. 2094*)
MAY 7, 1979

BY WOODS of Polk

HOUSE FILE 757

H-4287

- 1 Amend House File 757 as follows:
2 1. Page 2, by striking lines 9 through 35.
3 2. Page 3, by striking lines 1 through 4.
4 3. Page 5, lines 26, 27, and 28, by striking the
5 words "as equalized by the director of revenue pursuant
6 to section four hundred forty-one point forty-nine
7 (441.49) of the Code".
8 4. Page 7, by striking lines 32 through 35.
9 5. Page 8, by striking lines 1 through 9.
10 6. Page 9, line 14, by striking the words and
11 figure "1981 and each odd-numbered" and inserting
12 in lieu thereof the words and figure "1980 and each
13 even-numbered".
14 7. Page 14, by inserting after line 10 the
15 following new section:
16 "Sec. ____ . Section four hundred forty-one point
17 forty-seven (441.47), Code 1979, is amended to read
18 as follows:
19 441.47 ADJUSTED VALUATIONS. The director of
20 revenue on or about August 15, ~~1977~~ 1980 and every
21 two years thereafter shall order the equalization
22 of the levels of assessment of each class of property
23 in the several assessing jurisdictions by adding to
24 or deducting from the valuation of each class of
25 property such percentage in each case as may be
26 necessary to bring the same to its taxable value as
27 fixed in this chapter and chapters 427 to 443,
28 inclusive. The director shall adjust to actual value
29 the valuation of any class of property as set out
30 in the abstract of assessment when the valuation is
31 at least five percent above or below actual value
32 as determined by the director. For purposes of such
33 value adjustments and before such equalization the
34 director shall adopt, in the manner prescribed by
35 chapter 17A, such rules as may be necessary to
36 determine the level of assessment for each class of
37 property in each county. The rules shall cover: (1)
38 The proposed use of the assessment-sales ratio study
39 set out in section 421.17, subsection 6; (2) the
40 proposed use of any state-wide income capitalization
41 studies; (3) the proposed use of other methods that
42 would assist the director in arriving at the accurate
43 level of assessment of each class of property in each
44 assessing jurisdiction."
45 8. Renumber sections and correct internal
46 references as are necessary in accordance with this
47 amendment.

BY NORLAND of Worth
BRANDT of Black Hawk
ANDERSON of Jasper
HOWELL of Floyd
JESSE of Polk

HOUSE FILE 757

H-4293

- 1 Amend House File 757 as follows:
2 1. Page 8, by inserting after line 25 the following
3 new section:
4 "Sec. 8. Section four hundred forty-one point twenty-
5 four (441.24), Code 1979, is amended by adding the
6 following new unnumbered paragraph:
7 NEW UNNUMBERED PARAGRAPH. However, all or part of
8 the penalty imposed under this section may be waived
9 by the board of review upon application to the board
10 by the assessor or the property owner. The waiver
11 or reduction in the penalty shall be allowed only on
12 the valuation of real property against which the
13 penalty has been imposed.
14 2. Page 17, by inserting after line 34 the following
15 new section:
16 "Sec. _____. When the board of review meets in special
17 session from October 15, 1979 to November 15, 1979 to hear
18 protests on property valuation which have been adjusted
19 in 1979 by the equalization order, the board shall also
20 review any application for waiver of reduction allowed
21 to be filed with the board under section eight (8) of
22 this Act."
23 3. Renumber sections and correct internal references
24 as are necessary in accordance with this amendment.

H-4293 FILED, ADOPTED (p. 2101) BY VAN MAANAN of Mahaska
MAY 7, 1979

HOUSE FILE 757

H-4294

- 1 Amend House File 757 as follows:
2 1. Page 6, line 1, by inserting after the
3 word "herein" the following: "including the limita-
4 tion of increases in agricultural and residential
5 assessed values to the percentage increase of the
6 other class of property if the other class increases
7 less than the allowable limit".

H-4294 FILED, ADOPTED (p. 2101) BY NORLAND of Worth
MAY 7, 1979 WEST of Marshall

HOUSE FILE 757

H-4291

- 1 Amend House File 757 as follows:
2 1. Page 2, line 31, by inserting after the word
3 and period "year." the following: "However, a
4 percentage increase on a class of property shall not
5 be made in a year not subject to an equalization
6 order unless ordered by the department of revenue."

H-4291 FILED, ADOPTED (p. 2099) BY AVENSON of Fayette
MAY 7, 1979

Sen. Ways Means 5/8 Do Pass 5/9 (p. 1629)
PLN 2746

HOUSE FILE 757

By COMMITTEE ON WAYS AND MEANS

(As Amended and Passed by the House)

Re-Passed House, Date 5-11-79 (p. 2345) Passed Senate, Date 5-10-79 (p. 1665)

Vote: Ayes 80 Nays 3 Vote: Ayes 43 Nays 5

Approved June 4 1976

Repassed Senate as further amended
5-11-79 (p. 1716)

43-4

A BILL FOR

1 An Act relating to equalization and assessment procedures by
 2 providing for the valuation of agricultural land on the
 3 basis of its productivity and net earning capacity, pro-
 4 viding for the valuation of agricultural and residential
 5 property at a percentage of its actual value for tax
 6 purposes, providing for the biennial assessment and
 7 equalization of property, providing that equalized
 8 values be included in the assessment for the current
 9 assessment year commencing in 1979, adjusting the
 10 dates related to assessment and equalization completion,
 11 delivery of abstracts of assessments, notification of
 12 taxpayers of adjusted values, the filing of protests
 13 and the sessions of local boards of review and
 14 providing for an interim study of the property tax
 15 structure.

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

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_____ House Amendments
* Stricken Language

1 Section 1. Section twenty-four point forty-eight (24.48),
2 Code 1979, is amended to read as follows:

3 24.48 APPEAL TO STATE BOARD FOR SUSPENSION OF LIMITATIONS.

4 If the property tax valuations effective ~~January 1, 1978,~~
5 ~~or~~ January 1, 1979 and January first of any subsequent year,
6 are reduced or there is an unusually low growth rate in the
7 property tax base of a political subdivision, the political
8 subdivision may appeal to the state appeal board to request
9 suspension of the statutory property tax levy limitations
10 to continue to fund the present services provided. A political
11 subdivision may also appeal to the state appeal board where
12 the property tax base of the political subdivision has been
13 reduced or there is an unusually low growth rate for any of
14 the following reasons:

15 1. Any unusual increase in population as determined by
16 the preceding certified federal census.

17 2. Natural disasters or other emergencies.

18 3. Unusual problems relating to major new functions
19 required by state law.

20 4. Unusual staffing problems.

21 5. Unusual need for additional funds to permit continuance
22 of a program which provides substantial benefit to its
23 residents.

24 6. Unusual need for a new program which will provide
25 substantial benefit to residents, if the political subdivision
26 establishes the need and the amount of the necessary increased
27 cost.

28 The state appeal board may approve or modify the request
29 of the political subdivision for suspension of the statutory
30 property tax levy limitations.

31 Upon decision of the state appeal board, the state
32 comptroller shall make the necessary changes in the total
33 budget of the political subdivision and certify the total
34 budget to the governing body of the political subdivision
35 and the appropriate county auditors.

1 For purposes of this section only, "political subdivision"
2 means a city, county, school district, or any other special
3 purpose district which certifies its budget to the county
4 auditor and derives funds from a property tax levied against
5 taxable property situated within the political subdivision.

6 For the purpose of this section, the city finance committee
7 shall be the state appeal board when the political subdivision
8 is a city.

9 Sec. 2. Section four hundred twenty-eight point four
10 (428.4), unnumbered paragraph one (1), Code 1979, is amended
11 to read as follows:

12 Property shall be assessed for taxation each year. Per-
13 sonal property shall be listed and assessed each year in the
14 name of the owner of the personal property on the first day
15 of January and the assessment made shall be the value of the
16 personal property as of January ± first of the year of the
17 assessment. Real estate shall be listed and assessed in ~~1978~~
18 1981 and every two years thereafter. The assessment of real
19 estate shall be the value of the real estate as of January
20 ± first of the year of the assessment. The year ~~1978~~ 1981
21 and each ~~even-numbered~~ odd-numbered year thereafter shall
22 be a reassessment year. In any year, after the year in which
23 an assessment has been made of all the real estate in any
24 assessing jurisdiction, it shall be the duty of the assessor
25 to value and assess or revalue and reassess, as the case may
26 require, any real estate that the assessor finds was
27 incorrectly valued or assessed, or was not listed, valued
28 and assessed, in the real estate assessment year immediately
29 preceding, also any real estate the assessor finds has changed
30 in value subsequent to January ± first of the preceding real
31 estate assessment year. However, a percentage increase on
32 a class of property shall not be made in a year not subject
33 to an equalization order unless ordered by the department
34 of revenue. The assessor shall determine the actual value
35 and compute the taxable value thereof as of January ± first

1 of the year of the revaluation and reassessment. The
2 assessment shall be completed as specified in section 441.28,
3 but no reduction or increase in actual value shall be made
4 for prior years. If an assessor makes a change in the
5 valuation of the real estate as provided for herein, the
6 provisions of sections 441.23, 441.37, 441.38 and 441.39 shall
7 apply.

8 Sec. 3. Section four hundred forty-one point twenty-one
9 (441.21), subsection one (1), unnumbered paragraphs two (2),
10 six (6) and eight (8), Code 1979, are amended to read as
11 follows:

12 The actual value of all property subject to assessment
13 and taxation shall be the fair and reasonable market value
14 of such property except as otherwise provided in this section.
15 "Market value" is defined as the fair and reasonable exchange
16 in the year in which the property is listed and valued between
17 a willing buyer and a willing seller, neither being under
18 any compulsion to buy or sell and each being familiar with
19 all the facts relating to the particular property. Sale
20 prices of the property or comparable property in normal
21 transactions reflecting market value, and the probable
22 availability or unavailability of persons interested in
23 purchasing the property, shall be taken into consideration
24 in arriving at its market value. In arriving at market value,
25 sale prices of property in abnormal transactions not reflecting
26 market value shall not be taken into account, or shall be
27 adjusted to eliminate the effect of factors which distort
28 market value, including but not limited to sales to immediate
29 family of the seller, foreclosure or other forced sales,
30 contract sales, discounted purchase transactions or purchase
31 of adjoining land or other land to be operated as a unit.

32 ~~Notwithstanding the provisions of this section, in assessing~~
33 ~~and determining the actual value of agricultural property~~
34 ~~as of January 17, 1978, and January 17, 1979, the~~ The actual
35 value of agricultural property shall be determined on the

1 basis of productivity and net earning capacity of the property
2 determined on the basis of its use for agricultural purposes
3 capitalized at a rate of seven percent and applied uniformly
4 among counties and among classes of property.

5 Notwithstanding any other provision of this section, the
6 actual value of any property shall not exceed its fair and
7 reasonable market value, except agricultural property which
8 shall be valued exclusively as provided in unnumbered paragraph
9 six (6) of this subsection. ~~For agricultural property, the~~
10 ~~assessed value as determined under this section shall not~~
11 ~~exceed the actual value of such property and the assessed~~
12 ~~value of residential property as determined under this section~~
13 ~~shall not exceed the fair and reasonable market value of such~~
14 ~~property.~~

15 Sec. 4. Section four hundred forty-one point twenty-one
16 (441.21), subsection one (1), Code 1979, is amended by striking
17 paragraphs a and b and unnumbered paragraph five (5).

18 Sec. 5. Section four hundred forty-one point twenty-one
19 (441.21), subsections five (5), eight (8), and twelve (12),
20 Code 1979, are amended to read as follows:

21 5. For valuations established as of January 1, 1979, the
22 percentage of actual value at which agricultural and
23 residential property shall be assessed shall be the quotient
24 of the dividend and divisor as defined in this section. The
25 dividend for each class of property shall be the dividend
26 as determined for each class of property for valuations
27 established as of January 1, 1978, adjusted by the product
28 obtained by multiplying the percentage determined for that
29 year by the amount of any additions or deletions to actual
30 value, excluding those resulting from the revaluation of
31 existing properties, as reported by the assessors on the
32 abstracts of assessment for 1978, plus six percent of the
33 amount so determined. However, if the difference between
34 the dividend so determined for either class of property and
35 the dividend for that class of property for valuations

1 established as of January 1, 1978, adjusted by the product
2 obtained by multiplying the percentage determined for that
3 year by the amount of any additions or deletions to actual
4 value, excluding those resulting from the revaluation of
5 existing properties, as reported by the assessors on the
6 abstracts of assessment for 1978, is less than six percent,
7 the 1979 dividend for the other class of property shall be
8 the dividend as determined for that class of property for
9 valuations established as of January 1, 1978, adjusted by
10 the product obtained by multiplying the percentage determined
11 for that year by the amount of any additions or deletions
12 to actual value, excluding those resulting from the revaluation
13 of existing properties, as reported by the assessors on the
14 abstracts of assessment for 1978, plus a percentage of the
15 amount so determined which is equal to the percentage by which
16 the dividend as determined for the other class of property
17 for valuations established as of January 1, 1978, adjusted
18 by the product obtained by multiplying the percentage
19 determined for that year by the amount of any additions or
20 deletions to actual value, excluding those resulting from
21 the revaluation of existing properties, as reported by the
22 assessors on the abstracts of assessment for 1978, is increased
23 in arriving at the 1979 dividend for the other class of
24 property. The divisor for each class of property shall be
25 the total actual value of all such property in the state in
26 the preceding year, as reported by the assessors on the
27 abstracts of assessment submitted for 1978, plus the amount
28 of value added to said total actual value by the revaluation
29 of existing properties in 1979 as equalized by the director
30 of revenue pursuant to section four hundred forty-one point
31 forty-nine (441.49) of the Code. The director shall utilize
32 information reported on abstracts of assessment submitted
33 pursuant to section 441.45 in determining such percentage.
34 For valuations established as of January 1, 1980, and each
35 year thereafter, the percentage of actual value as equalized

1 by the director of revenue as provided in section four hundred
2 forty-one point forty-nine (441.49) of the Code at which
3 agricultural and residential property shall be assessed shall
4 be calculated in accordance with the methods provided herein
5 including the limitation of increases in agricultural and
6 residential assessed values to the percentage increase of
7 the other class of property if the other class increases less
8 than the allowable limit adjusted to include the applicable
9 and current values as equalized by the director of revenue,
10 except that any references to six percent in this subsection
11 shall be four percent.

12 8. For valuations established as of January 1, 1979,
13 against which taxes will be levied for the fiscal year
14 beginning in the 1979 calendar year by any special charter
15 city that levies and collects its own taxes, the percentage
16 of actual value at which agricultural and residential property
17 shall be assessed shall be the quotient of the dividend and
18 divisor as defined in this section. The dividend for each
19 class of property shall be the valuation for each class of
20 property for valuations established as of January 1, 1978,
21 and upon which any special charter city levied its taxes in
22 1978, adjusted by the product obtained by multiplying the
23 percentage determined for that year by the amount of any
24 additions or deletions to actual value, excluding those
25 resulting from the revaluation of existing properties, as
26 reported by the assessor on the abstract of assessment for
27 1978, plus six percent of the amount so determined. The
28 divisor for each class of property shall be the total actual
29 value of all such property in the city in the preceding year,
30 as reported by the assessor on the abstract of assessment
31 submitted for 1978, plus the amount of value added to said
32 total actual value by the revaluation of existing properties
33 in 1979. However, if the estimated statewide growth in
34 assessed valuation is less than six percent for either class
35 of property for 1979, the director shall estimate the

1 percentages by which the statewide valuation of residential
2 and agricultural property will increase in 1979. The lower
3 percentage shall be used in lieu of six percent for both
4 classes of property in calculating the percentages at which
5 agricultural and residential property shall be assessed.
6 The percentage at which agricultural and residential property
7 shall be assessed will be certified by the director on or
8 before May 31, 1979 to the appropriate city official in special
9 charter cities that levy and collect their own taxes. The
10 percentage so certified shall be applicable only to those
11 valuations against which the special charter city levies its
12 own tax. For valuations established as of January 1, 1980,
13 and each year thereafter for any special charter city that
14 levies and collects its own taxes, the percentage of actual
15 value as equalized by the director of revenue as provided
16 in section four hundred forty-one point forty-nine (441.49)
17 of the Code at which agricultural and residential property
18 shall be assessed shall be calculated in accordance with the
19 methods provided herein adjusted to include the applicable
20 and current values as equalized by the director of revenue,
21 except that any references to six percent in this subsection
22 shall be four percent. The assessor shall provide valuation
23 information to the director of revenue sufficient for the
24 computation of the assessment percentage by May fifteenth
25 of each year on forms prescribed by the director of revenue.

26 12. Not later than ~~November 1, 1978~~ and November 1, 1979,
27 and November first of each subsequent year, the director shall
28 certify to the county auditor of each county the percentages
29 of actual value at which residential and agricultural property
30 in each assessing jurisdiction in the county shall be assessed
31 for taxation. The county auditor shall proceed to determine
32 the assessed values of agricultural and residential property
33 by applying such percentages to the current actual value of
34 such property, as reported to the county auditor by the
35 assessor, and the assessed values so determined shall be the

1 taxable values of such properties upon which the levy shall
2 be made.

3 Sec. 6. Section four hundred forty-one point twenty-one
4 (441.21), subsection six (6), Code 1979, is amended to read
5 as follows:

6 6. Beginning with valuations established as of January
7 1, 1978, the assessors shall report the aggregate taxable
8 values and the number of dwellings located on agricultural
9 land and the aggregate taxable value of all other structures
10 on agricultural land. Beginning with valuations established
11 as of January 1, ~~1980~~ 1981, such agricultural structures and
12 agricultural dwellings located on agricultural land shall
13 be valued at their market value as defined in this section
14 and agricultural structures and agricultural dwellings shall
15 each constitute a separate class of property.

16 Sec. 7. Section four hundred forty-one point twenty-three
17 (441.23), Code 1979, is amended to read as follows:

18 441.23 NOTICE OF VALUATION. If there has been an increase
19 or decrease in the valuation of the property, or upon the
20 written request of the person assessed, the assessor shall,
21 at the time of making the assessment, inform the person
22 assessed, in writing, of the valuation put upon the taxpayer's
23 property, and notify the person, if he or she feels aggrieved,
24 to appear before the board of review and show why the
25 assessment should be changed. ~~In-odd-numbered-years,-the~~
26 The owners of real property shall be notified not later than
27 April ~~15~~ fifteenth of any adjustment of the real property
28 assessment. ~~In-even-numbered-years,-the-notice-of-an-increase~~
29 ~~or-decrease-in-the-valuation-of-the-property-shall-be-provided~~
30 ~~to-the-owners-of-real-property-not-later-than-June-30-as~~
31 ~~provided-in-section-441-49-~~

32 Sec. 8. Section four hundred forty-one point twenty-four
33 (441.24), Code 1979, is amended by adding the following new
34 unnumbered paragraph:

35 NEW UNNUMBERED PARAGRAPH. However, all or part of the

1 penalty imposed under this section may be waived by the board
2 of review upon application to the board by the assessor or
3 the property owner. The waiver or reduction in the penalty
4 shall be allowed only on the valuation of real property against
5 which the penalty has been imposed.

6 Sec. 9. Section four hundred forty-one point twenty-six
7 (441.26), Code 1979, is amended to read as follows:

8 441.26 ASSESSMENT ROLLS AND BOOKS. The director of revenue
9 shall each year prescribe the form of assessment roll to be
10 used by all assessors in assessing real and personal property,
11 including moneys and credits, in this state, also the form
12 of pages of the assessor's assessment book. Such assessment
13 rolls shall be in such form as will permit entering thereon,
14 separately, the names of all persons, partnerships, corpora-
15 tions, or associations assessed; shall contain a form of oath
16 or affirmation to be administered to each person assessed,
17 and shall also contain a notice in substantially the following
18 form:

19 "If you are not satisfied that the foregoing assessment
20 is correct, you may file a protest against such assessment
21 with the board of review on or after April ~~16~~ sixteenth, to
22 and including May 5 fifth, of the year of the assessment,
23 such protest to be confined to the grounds specified in section
24 441.37. Dated day of, 19.....,
25 County/City Assessor."

26 ~~The dates specified in the notice sent to the owner of~~
27 ~~property in even-numbered years shall contain the dates for~~
28 ~~filing of protests as provided in section 441-49.~~

29 The notice in 1981 and each odd-numbered year thereafter
30 shall contain a statement that the assessments are subject
31 to equalization pursuant to an order issued by the director
32 of revenue, that the county auditor shall give notice on or
33 before October fifteenth by publication in an official
34 newspaper of general circulation to any class of property
35 affected by the equalization order, and that the board of

1 review shall be in session from October fifteenth to November
2 fifteenth to hear protests of affected property owners or
3 taxpayers whose valuations have been adjusted by the
4 equalization order.

5 Such assessment rolls shall be used in listing the property
6 and showing the values affixed to such property of all persons,
7 partnerships, corporations, or associations assessed, which
8 rolls shall be made in duplicate. Said duplicate roll shall
9 be signed by the assessor, detached from the original and
10 delivered to the person assessed if there has been an increase
11 or decrease in the valuation of the property, or upon the
12 written request of the person assessed. It shall be lawful
13 to combine the affidavit or form of oath or affirmation with
14 reference to real and personal property, and the affidavit
15 or form of oath or affirmation as to moneys and credits, into
16 one affidavit or form of oath or affirmation, and only the
17 one such affidavit or form of oath or affirmation shall be
18 sufficient on the assessment roll. The pages of the assessor's
19 assessment book shall contain columns ruled and headed for
20 the information required by this chapter and that which the
21 director of revenue may deem essential in the equalization
22 work of the director. The assessor shall return all assessment
23 rolls and any schedules therewith to the county auditor, along
24 with the completed assessment book, as provided in this
25 chapter, and the county auditor shall carefully keep and
26 preserve all such rolls, schedules and book for a period of
27 five years from the time of filing of the same in his the
28 county auditor's office.

29 Beginning with valuations for January 1, 1977 and each
30 succeeding year, for each parcel of property entered in the
31 assessment book, the assessor shall list the classification
32 of the property.

33 Sec. 10. Section four hundred forty-one point twenty-eight
34 (441.28), Code 1979, is amended to read as follows:

35 441.28 ASSESSMENT ROLLS--CHANGE--NOTICE TO TAXPAYER.

1 The assessment shall be completed not later than April 15
2 ~~in-odd-numbered-years-and-not-later-than-May-15-in-even-~~
3 ~~numbered-years~~ fifteenth each year. If the assessor makes
4 any change in an assessment after it has been entered on the
5 assessor's rolls, ~~he~~ the assessor shall note on said roll,
6 together with the original assessment, the new assessment
7 and the reason for the change, together with ~~his~~ the assessor's
8 signature and the date of the change. Provided, however,
9 in the event the assessor increases any assessment he the
10 assessor shall give notice in writing thereof to the taxpayer
11 by mail prior to the meeting of the board of review. No
12 changes shall be made on the assessment rolls after April
13 ~~15-in-odd-numbered-years-and-after-May-15-in-even-numbered~~
14 ~~years~~ fifteenth except by order of the board of review or
15 by decree of court.

16 Sec. 11. Section four hundred forty-one point thirty
17 (441.30), Code 1979, is amended to read as follows:

18 441.30 COMPLETION OF ASSESSMENT--OATH. The assessment
19 shall be completed by ~~the-first-day-of-May-in-odd-numbered~~
20 ~~years-or-June-1-in-even-numbered-years,~~ April fifteenth and
21 the assessor shall attach to the assessment rolls his or her
22 oath in the following form:

23 "I, (A B), assessor of city/county
24 of state of Iowa, do solemnly swear (or affirm)
25 that the taxable values of all property, money, and credits,
26 of which a statement has been made and verified by the oath
27 of the person required to list the same, is herein set forth
28 in such statement; that in every case, where I have been
29 required to ascertain the amount or value of any property,
30 I have diligently, and by the best means in my power,
31 endeavored to ascertain the true amount and value, and as
32 I verily believe the taxable values thereof are set forth
33 in the annexed return; in no case have I knowingly omitted
34 to demand of any person, of whom I was required to do so,
35 a statement of the items of ~~his~~ the person's property which

1 ~~he~~ the person was required by law to list, nor to administer
2 the oath to ~~him~~ the person, unless ~~he~~ the person refused to
3 take it, nor in any way connive at any violation or evasion
4 of any of the requirements of the law in relation to the
5 assessment of property for taxation.

6

7 Assessor

8 Subscribed and sworn to (or affirmed) this day
9 of A.D....., before me.

10

11 Notary Public/Clerk of Court"

12 Sec. 12. Section four hundred forty-one point thirty-three
13 (441.33), Code 1979, is amended to read as follows:

14 441.33 SESSIONS OF BOARD OF REVIEW. The board of review
15 shall be in session from May ~~1~~ first to May ~~31~~ in thirty-first
16 each ~~odd-numbered~~ year and for such additional period as may
17 be required under section 441.37 and shall hold as many
18 meetings as are necessary to discharge its duties. On June
19 ~~1~~ first in ~~any-odd-numbered-year~~ those years in which a session
20 has not been extended as required under section 441.37, said
21 board shall return all books, records and papers to the
22 assessor except undisposed of protests and records pertaining
23 thereto. If it has not completed its work prior to June ~~1~~
24 first, in those years in which the session has not been
25 extended under section 441.37 the director of revenue may
26 authorize the board of review to continue in session for such
27 period as is necessary to complete its work, but in no event
28 shall the director of revenue approve a continuance extending
29 beyond July ~~15~~ fifteenth. On June ~~1~~ first or on the final
30 day of any extended session required under section 441.37
31 or authorized by the director of revenue as herein provided
32 the board of review shall be adjourned until May ~~1~~ first of
33 the following year. It shall adopt its own rules of procedure,
34 elect its own chairman from its membership, and keep minutes
35 of its meetings. The board shall appoint a clerk who may

1 be a member of such board or any other qualified person,
2 except the assessor or any member of ~~his~~ the assessor's staff.
3 It may be reconvened by the director of revenue. All
4 undisposed protests in its hands on July ~~15~~ fifteenth shall
5 be automatically overruled and returned to the assessor
6 together with its other records.

7 ~~In even-numbered years, the board of review shall be in~~
8 ~~session at the times designated in section 441.49.~~

9 Within fifteen days following the adjournment of any regular
10 or special session, the board of review shall submit to the
11 director of revenue, on forms prescribed by the director,
12 a report of any actions taken during that session.

13 Sec. 13. Section four hundred forty-one point thirty-seven
14 (441.37), unnumbered paragraph one (1), Code 1979, is amended
15 to read as follows:

16 Any property owner or aggrieved taxpayer who is dissatisfied
17 with his or her assessment may file a protest against such
18 assessment with the board of review on or after April ~~16~~
19 sixteenth, to and including May 5 fifth, of the year of the
20 assessment. In any county which has been declared to be a
21 disaster area by proper federal authorities after March ~~1~~
22 first and prior to May ~~20~~ twentieth of said year of assessment,
23 the board of review shall be authorized to remain in session
24 until June fifteenth and the time for filing a protest shall
25 be extended to and include the period from May ~~25~~ twenty-fifth
26 to June 5 fifth of such year. Said protest shall be in writing
27 and signed by the one protesting or by his or her duly
28 authorized agent. ~~The dates specified in this section shall~~
29 ~~apply only in odd-numbered years. The time for filing of~~
30 ~~protests in even-numbered years shall be as provided in section~~
31 ~~441.49. Taxpayer~~ The taxpayer may have an oral hearing thereon
32 if request therefor in writing is made at the time of filing
33 the protest. Said protest must be confined to one or more
34 of the following grounds:

35 Sec. 14. Section four hundred forty-one point forty-five

1 (441.45), Code 1979, is amended to read as follows:

2 441.45 ABSTRACT TO STATE DEPARTMENT OF REVENUE. The
3 county assessor of each county and each city assessor shall,
4 on or before July ~~1-in-odd-numbered-years-and-on-or-before~~
5 ~~September-15-in-even-numbered-years~~ first of each year, make
6 out and transmit to the department of revenue an abstract
7 of the real and personal property in his or her county or
8 city, as the case may be, and file a copy thereof with the
9 county auditor, in which he the assessor shall set forth:

10 1. The number of acres of land and the aggregate taxable
11 values of the same, exclusive of city lots, returned by the
12 assessors, as corrected by the board of review.

13 2. The aggregate taxable values of real estate by class
14 in each school district, township and city in the county,
15 returned as corrected by the board of review.

16 3. The aggregate taxable values of personal property.

17 4. Other facts as may be required by the director of
18 revenue.

19 In any case where a board of review continues in session
20 beyond June ~~17-in-any-odd-numbered-year, or beyond August~~
21 ~~15-in-even-numbered-years~~ first, under provisions of sections
22 441.33 and 441.37 the abstract of the real and personal prop-
23 erty shall be made out and transmitted to the department of
24 revenue within fifteen days after the date of final adjournment
25 by said board.

26 Sec. 15. Section four hundred forty-one point forty-eight
27 (441.48), Code 1979, is amended to read as follows:

28 441.48 NOTICE OF ADJUSTMENT. Before the director of
29 revenue shall adjust the valuation of any class of property
30 any such percentage, the director shall serve ten days' notice
31 by mail, on the assessor county auditor of the county whose
32 valuation is proposed to be adjusted and the director shall
33 hold an adjourned meeting after such ten days' notice, at
34 which time ~~such~~ the county or assessing jurisdiction may
35 appear by its city council or board of supervisors, city or

1 county attorney, and other assessing jurisdiction, city or
2 county officials, and make written or oral protest against
3 such proposed adjustment, which protest shall consist simply
4 of a statement of the error, or errors, complained of with
5 such facts as may lead to their correction, and at such
6 adjourned meeting final action may be taken in reference
7 thereto.

8 Sec. 16. Section four hundred forty-one point forty-nine
9 (441.49), Code 1979, is amended by striking the section and
10 inserting in lieu thereof the following:

11 441.49 ADJUSTMENT BY AUDITOR. The director shall keep
12 a record of the review and adjustment proceedings and finish
13 the proceedings on or before October first unless for good
14 cause the proceedings cannot be completed by that date. The
15 director shall notify each county auditor by mail of the final
16 action taken at the proceedings and specify any adjustments
17 in the valuations of any class of property to be made effective
18 for the jurisdiction.

19 However, an assessing jurisdiction may request the director
20 to permit the use of an alternative method of applying the
21 equalization order to the property values in the assessing
22 jurisdiction, provided that the final valuation shall be
23 equivalent to the director's equalization order. The assessing
24 jurisdiction shall notify the county auditor of the request
25 for the use of an alternative method of applying the
26 equalization order and the director's disposition of the
27 request. The request to use an alternative method of applying
28 the equalization order, including procedures for notifying
29 affected property owners and appealing valuation adjustments,
30 shall be made within ten days from the date the county auditor
31 receives the equalization order and the valuation adjustments,
32 and appeal procedures shall be completed by November thirtieth
33 of the year of the equalization order. Compliance with the
34 provisions of section four hundred forty-one point twenty-
35 one (441.21) of the Code is sufficient grounds for the direc-

1 tor to permit the use of an alternative method of applying
2 the equalization order.

3 On or before October fifteenth the county auditor shall
4 cause to be published in official newspapers of general cir-
5 culation the final equalization order. Failure to publish
6 the equalization order has no effect upon the validity of
7 the orders.

8 The county auditor shall add to or deduct from the valua-
9 tion of each class of property in the county the required
10 percentage, rejecting all fractions of fifty cents or less
11 in the result, and counting all fractions over fifty cents
*12 as one dollar. For any special charter city that levies and
13 collects its own tax based on current year assessed values,
14 the equalization percentage shall be applied to the following
15 year's values, and shall be considered the equalized values
16 for that year for purposes of this chapter.

17 The local board of review shall reconvene in special session
18 from October fifteenth to November fifteenth for the purpose
19 of hearing the protests of affected property owners or
20 taxpayers within the jurisdiction of the board whose valua-
21 tion of property if adjusted pursuant to the equalization
22 order issued by the director of revenue will result in a
23 greater value than permitted under section four hundred forty-
*24 one point twenty-one (441.21) of the Code. The board of
25 review shall accept protests only during the first ten days
26 following the date the local board of review reconvenes.
27 The board of review shall limit its review to only the timely
28 filed protests. The board of review may adjust all or a part
29 of the percentage increase ordered by the director of revenue
30 by adjusting the actual value of the property under protest
31 to one hundred percent of actual value. Any adjustment so
32 determined by the board of review shall not exceed the
33 percentage increase provided for in the director's equalization
34 order. The determination of the board of review on filed
35 protests is final, subject to review by the director of revenue

1 for the purpose of determining whether the board's actions
2 substantially altered the equalization order. In making the
3 review, the director has all the powers provided in chapter
4 four hundred twenty-one (421) of the Code, and in exercising
5 the powers the director is not subject to chapter seventeen
6 A (17A) of the Code. Not later than ten days following the
7 adjournment of the board, the board of review shall submit
8 to the director of revenue, on forms prescribed by the
9 director, a report of all actions taken by the board of review
10 during this session.

11 Not later than ten days after the date the final equali-
12 zation order is issued, the city or county officials of the
13 affected county or assessing jurisdiction may appeal the final
14 equalization order to the state board of tax review. The
15 appeal shall not delay the implementation of the equalization
16 orders.

17 Tentative and final equalization orders issued by the
18 director of revenue are not rules as defined in section seven-
19 teen A point two (17A.2), subsection seven (7) of the Code.

20 Sec. 17. The legislative council is directed to create
21 a ten-member study committee composed of five members each
22 from the standing committees on ways and means of the senate
23 and house of representatives representing both political
24 parties, which committee shall conduct during the 1979 legis-
25 lative interim a comprehensive study of the present property
26 tax structure. The study shall include, but not be limited
27 to, the following:

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

30 2. The impact of property taxes upon multi-family and
31 multi-purpose residential property, determining the amount
32 of such property in this state.

33 3. The impact of the current property tax system on com-
34 mercial property.

35 Expenses of the study committee, including the cost for

1 employing persons or business firms to assist the committee
2 in its study shall be paid from funds available under section
3 two point twelve (2.12) of the Code.

4 The study committee shall transmit copies of its final
5 report to the governor and the members of the Sixty-eighth
6 General Assembly, 1980 Session, not later than January 30,
7 1980. The final report shall include findings of fact and
8 its recommendations.

9 Sec. 18. When the board of review meets in special session
10 from October 15, 1979 to November 15, 1979 to hear protests
11 on property valuation which have been adjusted in 1979 by
12 the equalization order, the board shall also review any
13 application for waiver of reduction allowed be be filed with
14 the board under section eight (8) of this Act.

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S-3766

1 Amend House File 757, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 2, by inserting after line 8 the following
4 new sections:

A
5 "Sec. _____. Section four hundred twenty-five point
6 two (425.2), Code 1979, is amended by striking the
7 section and inserting in lieu thereof the following:
8 425.2 QUALIFYING FOR CREDIT. A person who wishes
9 to qualify for the credit allowed under this chapter,
10 shall obtain the appropriate forms for filing for
11 the credit from the assessor. The person claiming
12 the credit shall file a verified statement and
13 designation of homestead with the assessor for the
14 year for which the person is first claiming the credit.
15 The claim shall be filed not later than July first
16 of the year for which the person is claiming the
17 credit.

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

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

38 Sec. _____. Section four hundred twenty-five point
39 three (425.3), Code 1979, is amended by striking the
40 section and inserting in lieu thereof the following:
41 425.3 VERIFICATION OF CLAIMS FOR HOMESTEAD CREDIT.
42 The assessor shall retain a permanent file of current
43 homestead claims filed in the assessor's office.

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

47 The county recorder shall give notice to the
48 assessor of each transfer of title filed in the
49 recorder's office. The notice shall describe the
50 property transferred, the name of the person

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1 transferring the title to the property, and the name
2 of the person to whom title to the property has been
3 transferred.

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

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

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

21 425.6 WAIVER BY NEGLECT. If any a person fails
22 to make file a claim for the credits provided for
23 under this chapter as herein required, he the person
24 shall be deemed to have waived the homestead credit
25 for the any year preceding the year in which he the
26 person failed to make claim."

27 2. Page 17, by inserting after line 19 the
28 following new sections:

29 "Sec. _____. NEW SECTION. DEFINITION. As used
30 in this Act, "committee" means the county finance
31 committee.

32 Sec. _____. NEW SECTION. COUNTY FINANCE COMMIT-
33 TEE.

34 1. There is created a county finance committee
35 consisting of nine members. The members of the
36 committee shall be:

37 a. The auditor of state or a designee of the
38 auditor of state.

39 b. The state comptroller or a designee of the
40 state comptroller.

41 c. Five elected county officials who are regularly
42 involved in budget preparation. One county official
43 shall be from a county with a population of less than
44 eleven thousand five hundred, one from a county with
45 a population of more than eleven thousand five hundred
46 but not more than sixteen thousand, one from a county
47 with a population of more than sixteen thousand but
48 not more than twenty-two thousand five hundred, one
49 from a county with a population of more than twenty-
50 two thousand five hundred but not more than eighty

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1 thousand and one from a county with a population of
2 more than eighty thousand. The governor shall select
3 and appoint the county officials, subject to the
4 approval of two-thirds of the members of the senate.

5 d. A certified public accountant experienced in
6 governmental accounting selected and appointed by
7 the governor with the approval of two-thirds of the
8 members of the senate.

9 e. An operations research analyst experienced
10 in cost effectiveness analysis of county services
11 appointed by, and to serve at the pleasure of, the
12 legislative council.

13 2. The members of the committee appointed by the
14 governor are appointed for four-year terms except
15 that of the initial appointments, two county official
16 members shall be appointed to two-year terms. When
17 a county official member no longer holds the office
18 which qualified him or her for appointment, he or
19 she shall no longer be a member of the committee.
20 Any person appointed to fill a vacancy shall be
21 appointed to serve the unexpired term. Any member
22 is eligible for reappointment, but a member shall
23 not be appointed to serve more than two four-year
24 terms.

25 Sec. ____ . NEW SECTION. OFFICE--STAFF--COMPENSA-
26 TION.

27 1. The committee is located for administrative
28 purposes within the office of state comptroller.
29 The state comptroller shall provide office space,
30 staff assistance, and necessary supplies and equipment
31 for the committee. The state comptroller shall budget
32 funds to pay the compensation and expenses of the
33 committee.

34 2. Each member is entitled to reimbursement for
35 actual and necessary expenses incurred in the
36 performance of committee duties. Each member, except
37 officers and employees of the state and full-time
38 elected county officials, is entitled to receive a
39 per diem of forty dollars for each day spent in the
40 performance of committee duties.

41 3. The committee shall select its own officers
42 except that the state comptroller or a designee of
43 the state comptroller shall serve as chairperson.

44 Sec. ____ . NEW SECTION. POWERS AND DUTIES OF THE
45 COMMITTEE. The committee shall:

46 1. Design budget forms for all county funds.

47 2. Establish guidelines for program budgeting and
48 accounting and the preparation of five-year capital
49 improvement plans. It shall, where practicable, use
50 recommendations of the national council on governmental

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- 1 accounting.
- 2 3. Review and comment on county budgets to county
- 3 officials and provide assistance to enable counties
- 4 to improve upon and use sound financial procedures.
- 5 4. Conduct studies of county revenues and expendi-
- 6 tures.
- 7 5. Advise and make recommendations annually to
- 8 the governor and the general assembly concerning
- 9 county budgets and finance.
- 10 6. Promulgate its rules in compliance with chapter
- 11 seventeen A (17A) of the Code.
- 12 Sec. ____ . NEW SECTION. ADDITIONAL DUTIES. In
- 13 addition to the powers and duties specified in the
- 14 preceding section of this Act, the committee shall
- 15 prepare legislation for submission to the general
- 16 assembly in January, 1981, which would have as its
- 17 principal purpose the consolidation of current county
- 18 funds into not more than seven functional funds.
- 19 The committee shall also make recommendations for
- 20 appropriate budget or levy limitations for the proposed
- 21 consolidated funds."
- 22 3. Renumber sections and correct internal
- 23 references as are necessary in accordance with this
- 24 amendment.

S-3766 FILED
MAY 9, 1979

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

A. Withdrawn 5/10 (p. 1057)
B. Deleted 2/2/81 by 2781 5/10 (1057)

HOUSE FILE 757--

S-3771

- 1 Amend House File 757, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 2, line 31, by striking the words "However,
- 4 a percentage increase on".
- 5 2. Page 2, by striking lines 32 and 33.
- 6 3. Page 2, line 34, by striking the words "of
- 7 revenue".

S-3771 FILED & LOST (p. 1058)
MAY 10, 1979

BY NORMAN G. RODGERS

HOUSE FILE 757

S-3772

- 1 Amend House File 757, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 6, lines 9, 10, and 11, by striking the
- 4 words ", except that any references to six percent
- 5 in this subsection shall be four percent".
- 6 2. Page 7, lines 20, 21, and 22, by striking the
- 7 words ", except that any references to six percent
- 8 in this subsection shall be four percent".

S-3772 FILED & LOST (p. 1059)
MAY 10, 1979

BY NORMAN G. RODGERS
EARL M. WILLITS
JOE BROWN

S-3806

1 Amend House File 757, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 8 the following
4 new sections:

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

8 425.2 QUALIFYING FOR CREDIT. A person who wishes
9 to qualify for the credit allowed under this chapter,
10 shall obtain the appropriate forms for filing for
11 the credit from the assessor. The person claiming
12 the credit shall file a verified statement and
13 designation of homestead with the assessor for the
14 year for which the person is first claiming the credit.
15 The claim shall be filed not later than July first
16 of the year for which the person is claiming the
17 credit.

18 The claim shall have on its face a notice to the
19 claimant that if the claimant ceases to use property
20 as a homestead, the claimant is no longer eligible
21 to receive the credit on the designated homestead
22 and the department shall have the authority to file
23 an action in law to recover any amount paid to the
24 county on the designated homestead for any years in
25 which the claimant was not eligible to receive the
26 credit.

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

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

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

50 425.3 VERIFICATION OF CLAIMS FOR HOMESTEAD CREDIT.

1 The assessor shall retain a permanent file of current
2 homestead claims filed in the assessor's office.
3 The assessor shall file a notice of transfer of
4 property for which a claim is filed when notice is
5 received from the office of the county recorder.

6 The county recorder shall give notice to the
7 assessor of each transfer of title filed in the
8 recorder's office. The notice shall describe the
9 property transferred, the name of the person
10 transferring the title to the property, and the name
11 of the person to whom title to the property has been
12 transferred.

13 Not later than July second of each year, the
14 assessor shall remit the statements and designation
15 of homesteads to the county auditor with the assessor's
16 recommendation for allowance or disallowance. If
17 the assessor recommends disallowance of a claim; the
18 assessor shall submit the reasons for the
19 recommendation, in writing, to the county auditor.

20 The county auditor shall forward the claims to
21 the board of supervisors. The board shall examine
22 all claims filed and delivered and shall allow or
23 disallow the claims. If the board disallows a claim,
24 it shall send written notice, by certified mail, to
25 the claimant at the claimant's last known address.
26 The notice shall state the reasons for disallowing
27 the claim for the credit.

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

30 425.6 WAIVER BY NEGLECT. If any a person fails
31 to make file a claim for the credits provided for
32 under this chapter as herein required, he the person
33 shall be deemed to have waived the homestead credit
34 for the any year preceding the year in which he the
35 person failed to make claim.

36 Sec. _____. Section four hundred twenty-seven point
37 six (427.6), Code 1979, is amended to read as follows:

38 427.6 ALLOWANCE--CONTINUING EFFECTIVENESS. Said
39 claim for exemption, if filed on or before July 4
40 first of any year and allowed by the board of
41 supervisors, shall be effective to secure an exemption
42 only for the year in which such exemption is filed
43 and for successive years without further filing as
44 long as the property is owned by the claimant.

45 Provided, notwithstanding the filing of the claim
46 on or before July 4 first of any year, the claimant
47 or the claimant's unremarried surviving spouse shall
48 be the legal or equitable owner of the property upon
49 which exemption is claimed, on the first day of July
50 of the year in which said exemption is claimed and

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PAGE 3

1 for each succeeding year.

2 Any person whose claim is denied under the
3 provisions of this chapter may appeal from the action
4 of the board of supervisors in the district court
5 of the county in which said claimed military service
6 tax exemption is situated by giving written notice
7 of such appeal to the county auditor of said county
8 within twenty days from the date of mailing of notice
9 of such action by the Board of supervisors.

10 Upon adoption of a resolution by the county board
11 of supervisors, any person may request, in writing,
12 from the appropriate assessor forms for the filing
13 for a military service tax exemption. The person
14 may complete the form, which shall include a statement
15 claiming the military service tax exemption and
16 designating the property upon which the tax exemption
17 is claimed, and mailed or return it to the appropriate
18 assessor. The signature of the claimant on the claim
19 shall be considered the claimant's acknowledgment
20 that all statements and facts entered on the form
21 are correct to the best of the claimant's knowledge."

S-3806 FILED & ADOPTED (p. 16.5) BY LOWELL L. JUNKINS
MAY 10, 1979 JOHN SCOTT
EDGAR HOLDEN

HOUSE FILE 757

S-3801

1 Amend the Committee on Ways and Means amendment,
2 S-3766, to House File 757, as amended, passed, and
3 reprinted by the House, as follows:

4 1. Page 1, line 21, by inserting after the word
5 "homestead" the words "of the claimant".

6 2. Page 1, line 22, by inserting after the word
7 "homestead" the words and figure ", except that a
8 person who shall file a claim for the credit allowed
9 under section four hundred twenty-five point fifteen
10 (425.15) of the Code shall continue to file
11 annually".

12 3. Page 1, line 24, by striking the words "A
13 person who".

14 4. Page 1, by striking lines 25, 26, and 27.

15 5. Page 2, by striking lines 19 through 26.

S-3801 FILED & WITHDRAWN (p. 16.5) BY ROLF V. CRAFT
MAY 10, 1979

S-3781

HOUSE FILE 757

1 Amend the Committee on Ways and Means amendment,
2 S-3766, to House File 757, as amended, passed, and
3 reprinted by the House, as follows:
4 1. Page 4, by inserting after line 21 the following
5 new section:
6 "Sec. ____ . NEW SECTION. The county finance
7 committee established by this Act is abolished on
8 July 1, 1981."
9 2. Renumber sections and correct internal
10 references as are necessary in accordance with this
11 amendment.

S-3781 FILED & ADOPTED (*7 16 57*) BY ROLF V. CRAFT
MAY 10, 1979

HOUSE FILE 757

S-3786

1 Amend House File 757, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 17, by inserting after line 34 the
4 following new subsection:
5 " ____ . The feasibility of enacting a utility cost
6 credit for persons eligible for reimbursement for
7 property taxes paid or rent constituting property
8 taxes paid or other similar utility cost assistance
9 programs for the elderly and totally disabled."

S-3786 FILED
MAY 10, 1979

BY JOHN R. SCOTT

RULED OUT OF ORDER (*7 16 59*)

S-3800

1 Amend House File 757, as amended, passed, and
2 reprinted by the House, as follows:

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

5 "Section 1. Section twenty-four point thirty-five
6 (24.35), subsection one (1), Code 1979, is amended
7 to read as follows:

8 1. "Base year" means the preceding fiscal year,
9 except that for the fiscal year beginning July 1,
10 1980, the base year shall be the property tax budget
11 for the fiscal year beginning July 1, 1979 increased
12 by seven percent over the property tax budget for
13 the fiscal year beginning July 1, 1978.

14 Sec. 2. Section twenty-four point thirty-six
15 (24.36), unnumbered paragraph one (1), Code 1979,
16 is amended to read as follows:

17 The maximum amount in dollars which may be levied
18 by a city with a population of more than seven hundred
19 fifty over the amount in dollars levied for the base
20 year shall be limited to an aggregate increase of
21 ~~nine-percent-for-the-fiscal-year-beginning-July-1,~~
22 ~~1976-and seven percent for the fiscal years-beginning~~
23 ~~July-1,-1977-and-July-1,-1978~~ year beginning July
24 1, 1980, and each succeeding fiscal year, for the
25 following designated property tax levies, except as
26 otherwise provided in this division:

27 Sec. 3. Section twenty-four point thirty-seven
28 (24.37), unnumbered paragraph one (1), Code 1979,
29 is amended to read as follows:

30 The maximum amount in dollars which may be levied
31 by a county over the amount in dollars levied for
32 the base year shall be limited to an aggregate increase
33 of ~~nine-percent-for-the-fiscal-year-beginning-July~~
34 ~~1,-1976-and seven percent for the fiscal years~~
35 ~~beginning-July-1,-1977-and-July-1,-1978~~ year beginning
36 July 1, 1980, and each succeeding fiscal year, for
37 the following designated property tax levies, except
38 as otherwise provided in this division:

39 Sec. 4. Section twenty-four point thirty-eight
40 (24.38), Code 1979, is amended to read as follows:

41 24.38 AGRICULTURAL EDUCATION LEVY LIMITATION.
42 The maximum amount in dollars which may be levied
43 for the county agricultural extension education program
44 authorized pursuant to section 176A.10 over the amount
45 in dollars levied for the base year shall be limited
46 to an increase of ~~nine-percent-for-the-fiscal-year~~
47 ~~beginning-July-1,-1976,-and seven percent for the~~
48 ~~fiscal years-beginning-July-1,-1977,-and-July-1,-1978~~
49 year beginning July 1, 1980, and each succeeding
50 fiscal year, except as otherwise provided in this

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1 division.

2 Sec. 5. Section twenty-four point thirty-nine
3 (24.39), subsections two (2), three (3), and four
4 (4), Code 1979, are amended to read as follows:

5 2. The state comptroller shall review the certified
6 total budget of each political subdivision and
7 calculate the dollar amount and percentage increase
8 of the property tax budget for the fiscal years
9 ~~beginning July 1, 1976, July 1, 1977, and July 1,~~
10 ~~1978~~ July 1, 1980, and each succeeding fiscal year,
11 over the property tax budget for the base year.

12 3. If the property tax budget of a political
13 subdivision for the fiscal year beginning ~~July 1,~~
14 ~~1976, July 1, 1977, or July 1, 1978~~ July 1, 1980,
15 or any succeeding fiscal year, exceeds the property
16 tax budget of such political subdivision for the base
17 year by more than nine percent, the state comptroller
18 shall reduce the certified total budget to provide
19 a property tax budget increase of nine percent and
20 return the certified total budget to the governing
21 body with notification that, following a public hearing
22 as provided in section 24.41 of this division, the
23 total budget shall be recertified with a property
24 tax budget increase not exceeding nine percent or
25 that, without a public hearing, the certified total
26 budget shall be submitted to the state appeal board
27 for approval as provided in section 24.40 of this
28 division if the increase of more than nine percent
29 is needed.

30 4. If the property tax budget of a political
31 subdivision for the fiscal year beginning ~~July 1,~~
32 ~~1977, or July 1, 1978~~ July 1, 1980, or any succeeding
33 fiscal year, exceeds the property tax budget of such
34 political subdivision for the base year by more than
35 seven percent but not more than nine percent, the
36 state comptroller shall reduce the certified total
37 budget to provide a property tax budget increase of
38 seven percent and return the certified total budget
39 to the governing body with notification that a public
40 hearing must be held as provided in section 24.41
41 of this division.

42 Sec. 6. Section twenty-four point forty (24.40),
43 subsection one (1), Code 1979, is amended to read
44 as follows:

45 1. Upon receipt of the notification from the state
46 comptroller as provided in section 24.39, subsection
47 3 of this division, the governing body of such
48 political subdivision shall petition the state appeal
49 board to approve the total budget of the political
50 subdivision not later than seven days following receipt

MAY 11, 1979

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1 of notification if the increase of more than nine
2 percent is needed. However, if the governing body,
3 upon receipt of such notification, finds that an
4 increase in the property tax budget above nine percent
5 is not justified, the governing body shall publish
6 notice of and conduct a public hearing for the purpose
7 of approving a total budget which includes a property
8 tax budget increase of nine percent or less. The
9 public hearing shall be carried out according to the
10 provisions of section 24.41 of this division except
11 ~~that, for the total budget for the fiscal year~~
12 ~~beginning July 1, 1976, the public hearing shall be~~
13 ~~held within twenty days after the receipt of~~
14 ~~notification.~~

15 Sec. 7. Section twenty-four point forty-one
16 (24.41), Code 1979, is amended to read as follows:
17 24.41 ADDITIONAL PUBLIC HEARING--FISCAL YEAR 1978-
18 79. Upon receipt of the notification from the state
19 comptroller that the property tax budget of the
20 certified total budget of a political subdivision
21 for the fiscal year beginning ~~July 1, 1978~~ July 1,
22 1980, or any succeeding fiscal year, exceeds seven
23 percent but not more than nine percent of the property
24 tax budget of such political subdivision for the base
25 year, the governing body of such political subdivision
26 shall publish notice of and conduct a second public
27 hearing not later than April ~~15~~ fifteenth. The date,
28 time and location of the public hearing and either
29 a revised budget estimate summary and a statement
30 of what changes have been made or a statement that
31 the originally proposed budget has not been revised,
32 together with the state comptroller's budget limit
33 calculation table shall be published in a newspaper
34 having general circulation throughout the political
35 subdivision not less than four days before the date
36 of hearing. Thereafter, the total budget shall be
37 recertified, with or without changes that may be made
38 after the hearing, to the county auditor and the state
39 comptroller not later than April ~~15~~ fifteenth. If
40 the property tax budget for the fiscal year beginning
41 ~~July 1, 1978~~ July 1, 1980, or any succeeding fiscal
42 year, exceeds the property tax budget of the base
43 year by more than nine percent, such budget shall
44 be subject to the approval of the state appeal board
45 as provided in section 24.40.

46 Sec. 8. Section twenty-four point forty-four
47 (24.44), Code 1979, is amended to read as follows:
48 24.44 PROPERTY TAX CARRYOVER. If a political
49 subdivision adopts a total budget for the fiscal year
50 beginning July 1, 1976, which does not include an

1 increase in the amount of property tax levy for the
 2 property tax budget computed in dollars which exceeds
 3 or is equal to nine percent, the political subdivision
 4 may levy property taxes for the succeeding fiscal
 5 year in excess of a seven percent increase and be
 6 exempt from the provisions of sections 24.40 and 24.41
 7 of this division. Also, if a political subdivision
 8 adopts a total budget for the fiscal year beginning
 9 July 1, 1977, which does not include an increase in
 10 the amount of property tax levy for the property tax
 11 budget computed in dollars which exceeds or is equal
 12 to seven percent, the political subdivision may levy
 13 property taxes for the succeeding fiscal year in
 14 excess of a seven percent increase and be exempt from
 15 the provisions of sections 24.40 and 24.41 of this
 16 division. However, the exemption from the provisions
 17 of sections 24.40 and 24.41 of this division shall
 18 be applicable only if the additional property tax
 19 levy for the property tax budget does not raise in
 20 dollars an amount which exceeds the seven percent
 21 increase for the fiscal year beginning ~~July 1, 1977~~
 22 ~~ex-July 1, 1978~~ July 1, 1980, or any succeeding fiscal
 23 year and the difference between the amount in dollars
 24 which the political subdivision levied during the
 25 base year and the amount in dollars which the political
 26 subdivision could have levied during the base year
 27 under this division."

28 2. Renumber sections and correct internal
 29 references as are necessary in accordance with this
 30 amendment.

S-3800 FILED BY NORMAN G. RODGERS
 MAY 10, 1979 RULED OUT OF ORDER (p. 1658)
 HOUSE FILE 757

S-3796

1 Amend House File 757, as amended, passed, and re-
 2 printed by the House, as follows:
 3 1. Page 18, lines 6 and 7, by striking the word
 4 and figures "January 30, 1980" and inserting in lieu
 5 thereof the word and figures "December 1, 1979".

S-3796 FILED & ADOPTED BY NORMAN G. RODGERS
 MAY 10, 1979 EDGAR H. HOLDEN
 HOUSE FILE 757

S-3779

1 Amend House File 757, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 2, by inserting after line 8 the following
 4 new section:
 5 "Sec. ____ . Section four hundred twenty-seven point
 6 one (427.1), Code 1979, is amended by adding the
 7 following new subsection:

8 NEW SUBSECTION. COMMERCIAL PROPERTY. Effective
 9 January 1, 1980 and in each succeeding year, the first
 10 four thousand five hundred dollars of assessed value
 11 of real property assessed as commercial property."

12 2. Renumber sections and correct internal
 13 references as are necessary in accordance with this
 14 amendment.

S-3779 FILED, RULED OUT OF ORDER BY NORMAN G. RODGERS
 MAY 10, 1979 C. W. HUTCHINS
 BERL E. PRIEBE

SENATE AMENDMENT TO
HOUSE FILE 757

H-4409

1 Amend House File 757 as amended, passed and
2 reprinted by the House as follows:
3 1. Page 2, by inserting after line 8 the following
4 new sections:

5 "Sec. ____ . Section four hundred twenty-five point
6 two (425.2), Code 1979, is amended by striking the
7 section and inserting in lieu thereof the following:
8 425.2 QUALIFYING FOR CREDIT. A person who wishes
9 to qualify for the credit allowed under this chapter,
10 shall obtain the appropriate forms for filing for
11 the credit from the assessor. The person claiming
12 the credit shall file a verified statement and
13 designation of homestead with the assessor for the
14 year for which the person is first claiming the credit.
15 The claim shall be filed not later than July first
16 of the year for which the person is claiming the
17 credit.

18 The claim shall have on its face a notice to the
19 claimant that if the claimant ceases to use property
20 as a homestead, the claimant is no longer eligible
21 to receive the credit on the designated homestead
22 and the department shall have the authority to file
23 an action in law to recover any amount paid to the
24 county on the designated homestead for any years in
25 which the claimant was not eligible to receive the
26 credit.

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

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

47 Sec. ____ . Section four hundred twenty-five point
48 three (425.3), Code 1979, is amended by striking the
49 section and inserting in lieu thereof the following:
50 425.3 VERIFICATION OF CLAIMS FOR HOMESTEAD CREDIT.

1 The assessor shall retain a permanent file of current
2 homestead claims filed in the assessor's office.
3 The assessor shall file a notice of transfer of
4 property for which a claim is filed when notice is
5 received from the office of the county recorder.

6 The county recorder shall give notice to the
7 assessor of each transfer of title filed in the
8 recorder's office. The notice shall describe the
9 property transferred, the name of the person
10 transferring the title to the property, and the name
11 of the person to whom title to the property has been
12 transferred.

13 Not later than July second of each year, the
14 assessor shall remit the statements and designation
15 of homesteads to the county auditor with the assessor's
16 recommendation for allowance or disallowance. If
17 the assessor recommends disallowance of a claim, the
18 assessor shall submit the reasons for the
19 recommendation, in writing, to the county auditor.

20 The county auditor shall forward the claims to
21 the board of supervisors. The board shall examine
22 all claims filed and delivered and shall allow or
23 disallow the claims. If the board disallows a claim,
24 it shall send written notice, by certified mail, to
25 the claimant at the claimant's last known address.
26 The notice shall state the reasons for disallowing
27 the claim for the credit.

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

30 425.6 WAIVER BY NEGLECT. If any a person fails
31 to make file a claim for the credits provided for
32 under this chapter as herein required, he the person
33 shall be deemed to have waived the homestead credit
34 for the any year preceding the year in which he the
35 person failed to make claim.

36 Sec. _____. Section four hundred twenty-seven point
37 six (427.6), Code 1979, is amended to read as follows:

38 427.6 ALLOWANCE--CONTINUING EFFECTIVENESS. Said
39 claim for exemption, if filed on or before July 4
40 first of any year and allowed by the board of
41 supervisors, shall be effective to secure an exemption
42 only for the year in which such exemption is filed
43 and for successive years without further filing as
44 long as the property is owned by the claimant.

45 Provided, notwithstanding the filing of the claim
46 on or before July 4 first of any year, the claimant
47 or the claimant's unremarried surviving spouse shall
48 be the legal or equitable owner of the property upon
49 which exemption is claimed, on the first day of July
50 of the year in which said exemption is claimed and

1 for each succeeding year.

2 Any person whose claim is denied under the
3 provisions of this chapter may appeal from the action
4 of the board of supervisors in the district court
5 of the county in which said claimed military service
6 tax exemption is situated by giving written notice
7 of such appeal to the county auditor of said county
8 within twenty days from the date of mailing of notice
9 of such action by the board of supervisors.

10 Upon adoption of a resolution by the county board
11 of supervisors, any person may request, in writing,
12 from the appropriate assessor forms for the filing
13 for a military service tax exemption. The person
14 may complete the form, which shall include a statement
15 designating the property upon which the tax exemption
16 is claimed, and mailed or return it to the appropriate
17 assessor. The signature of the claimant on the claim
18 shall be considered the claimant's acknowledgment
19 that all statements and facts entered on the form
20 are correct to the best of the claimant's knowledge."

21
22 2. Page 17, by inserting after line 19 the
23 following new sections:

24 "Sec. _____. NEW SECTION. DEFINITION. As used
25 in this Act, "committee" means the county finance
26 committee.

27 Sec. _____. NEW SECTION. COUNTY FINANCE COMMIT-
28 TEE.

29 1. There is created a county finance committee
30 consisting of nine members. The members of the
31 committee shall be:

32 a. The auditor of state or a designee of the
33 auditor of state.

34 b. The state comptroller or a designee of the
35 state comptroller.

36 c. Five elected county officials who are regularly
37 involved in budget preparation. One county official
38 shall be from a county with a population of less than
39 eleven thousand five hundred, one from a county with
40 a population of more than eleven thousand five hundred
41 but not more than sixteen thousand, one from a county
42 with a population of more than sixteen thousand but
43 not more than twenty-two thousand five hundred, one
44 from a county with a population of more than twenty-
45 two thousand five hundred but not more than eighty
46 thousand and one from a county with a population of
47 more than eighty thousand. The governor shall select
48 and appoint the county officials, subject to the
49 approval of two-thirds of the members of the senate.

50 d. A certified public accountant experienced in

1 governmental accounting selected and appointed by
2 the governor with the approval of two-thirds of the
3 members of the senate.

4 e. An operations research analyst experienced
5 in cost effectiveness analysis of county services
6 appointed by, and to serve at the pleasure of, the
7 legislative council.

8 2. The members of the committee appointed by the
9 governor are appointed for four-year terms except
10 that of the initial appointments, two county official
11 members shall be appointed to two-year terms. When
12 a county official member no longer holds the office
13 which qualified him or her for appointment, he or
14 she shall no longer be a member of the committee.
15 Any person appointed to fill a vacancy shall be
16 appointed to serve the unexpired term. Any member
17 is eligible for reappointment, but a member shall
18 not be appointed to serve more than two four-year
19 terms.

20 Sec. ____ . NEW SECTION. OFFICE--STAFF--COMPENSA-
21 TION.

22 1. The committee is located for administrative
23 purposes within the office of state comptroller.
24 The state comptroller shall provide office space,
25 staff assistance, and necessary supplies and equipment
26 for the committee. The state comptroller shall budget
27 funds to pay the compensation and expenses of the
28 committee.

29 2. Each member is entitled to reimbursement for
30 actual and necessary expenses incurred in the
31 performance of committee duties. Each member, except
32 officers and employees of the state and full-time
33 elected county officials, is entitled to receive a
34 per diem of forty dollars for each day spent in the
35 performance of committee duties.

36 3. The committee shall select its own officers
37 except that the state comptroller or a designee of
38 the state comptroller shall serve as chairperson.

39 Sec. ____ . NEW SECTION. POWERS AND DUTIES OF THE
40 COMMITTEE. The committee shall:

41 1. Design budget forms for all county funds.

42 2. Establish guidelines for program budgeting and
43 accounting and the preparation of five-year capital
44 improvement plans. It shall, where practicable, use
45 recommendations of the national council on governmental
46 accounting.

47 3. Review and comment on county budgets to county
48 officials and provide assistance to enable counties
49 to improve upon and use sound financial procedures.

50 4. Conduct studies of county revenues and expendi-

Page Five
H-409

- 1 tures.
- 2 5. Advise and make recommendations annually to
- 3 the governor and the general assembly concerning
- 4 county budgets and finance.
- 5 6. Promulgate its rules in compliance with chapter
- 6 seventeen A (17A) of the Code.
- 7 Sec. ____ . NEW SECTION. ADDITIONAL DUTIES. In
- 8 addition to the powers and duties specified in the
- 9 preceding section of this Act, the committee shall
- 10 prepare legislation for submission to the general
- 11 assembly in January, 1981, which would have as its
- 12 principal purpose the consolidation of current county
- 13 funds into not more than seven functional funds.
- 14 The committee shall also make recommendations for
- 15 appropriate budget or levy limitations for the proposed
- 16 consolidated funds.
- 17 Sec. ____ . NEW SECTION. The county finance
- 18 committee established by this Act is abolished on
- 19 July 1, 1981."
- 20 3. Page 18, lines 6 and 7, by striking the word
- 21 and figures "January 30, 1980" and inserting in lieu
- 22 thereof the word and figures "December 1, 1979".
- 23 4. Renumber sections and correct internal
- 24 references as are necessary in accordance with this
- amendment.

H-4409 FILED
MAY 10, 1979

RECEIVED FROM THE SENATE

*House concurred 5/11 (p. 2345)
open 4410*

HOUSE FILE 757

H-4410

- 1 Amend Senate amendment H-4409 to House File
- 2 757 as follows:
- 3 1. Page 1, by striking lines 3 through 50.
- 4 2. Page 2, by striking lines 1 through 50.
- 5 3. Page 3, by striking lines 1 through 21.

H-4410 FILED
MAY 10, 1979

*Adopted 5/11
p. 2345*
BY WEST of Marshall

HOUSE AMENDMENT TO SENATE AMENDMENT
TO HOUSE FILE 757

S-3817

- 1 Amend Senate amendment H-4409 to House File 757
2 as follows:
3 1. Page 1, by striking lines 3 through 50.
4 2. Page 2, by striking lines 1 through 50.
5 3. Page 3, by striking lines 1 through 21.

S-3817 FILED
MAY 11, 1979

RECEIVED FROM THE HOUSE

Senate - concurred 5/10/79 (p. 1714)

HOUSE FILE 757

AN ACT

RELATING TO EQUALIZATION AND ASSESSMENT PROCEDURES BY PROVIDING FOR THE VALUATION OF AGRICULTURAL LAND ON THE BASIS OF ITS PRODUCTIVITY AND NET EARNING CAPACITY, PROVIDING FOR THE VALUATION OF AGRICULTURAL AND RESIDENTIAL PROPERTY AT A PERCENTAGE OF ITS ACTUAL VALUE FOR TAX PURPOSES, PROVIDING FOR THE BIENNIAL ASSESSMENT AND EQUALIZATION OF PROPERTY, PROVIDING THAT EQUALIZED VALUES BE INCLUDED IN THE ASSESSMENT FOR THE CURRENT ASSESSMENT YEAR COMMENCING IN 1979, ADJUSTING THE DATES RELATED TO ASSESSMENT AND EQUALIZATION COMPLETION, DELIVERY OF ABSTRACTS OF ASSESSMENTS, NOTIFICATION OF TAXPAYERS OF ADJUSTED VALUES, THE FILING OF PROTESTS AND THE SESSIONS OF LOCAL BOARDS OF REVIEW AND PROVIDING FOR AN INTERIM STUDY OF THE PROPERTY TAX STRUCTURE.

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

Section 1. Section twenty-four point forty-eight (24.48), Code 1979, is amended to read as follows:

24.48 APPEAL TO STATE BOARD FOR SUSPENSION OF LIMITATIONS. If the property tax valuations effective ~~January 1, 1978,~~ ~~or~~ January 1, 1979 and January first of any subsequent year, are reduced or there is an unusually low growth rate in the property tax base of a political subdivision, the political subdivision may appeal to the state appeal board to request suspension of the statutory property tax levy limitations to continue to fund the present services provided. A political subdivision may also appeal to the state appeal board where the property tax base of the political subdivision has been reduced or there is an unusually low growth rate for any of the following reasons:

1. Any unusual increase in population as determined by the preceding certified federal census.

2. Natural disasters or other emergencies.
3. Unusual problems relating to major new functions required by state law.
4. Unusual staffing problems.
5. Unusual need for additional funds to permit continuance of a program which provides substantial benefit to its residents.
6. Unusual need for a new program which will provide substantial benefit to residents, if the political subdivision establishes the need and the amount of the necessary increased cost.

The state appeal board may approve or modify the request of the political subdivision for suspension of the statutory property tax levy limitations.

Upon decision of the state appeal board, the state comptroller shall make the necessary changes in the total budget of the political subdivision and certify the total budget to the governing body of the political subdivision and the appropriate county auditors.

For purposes of this section only, "political subdivision" means a city, county, school district, or any other special purpose district which certifies its budget to the county auditor and derives funds from a property tax levied against taxable property situated within the political subdivision.

For the purpose of this section, the city finance committee shall be the state appeal board when the political subdivision is a city.

Sec. 2. Section four hundred twenty-eight point four (428.4), unnumbered paragraph one (1), Code 1979, is amended to read as follows:

Property shall be assessed for taxation each year. Personal property shall be listed and assessed each year 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 ~~1978~~ 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 ~~1978~~ 1981 and each ~~even-numbered~~ 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 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 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 the assessor finds has changed in value subsequent to January ~~± first~~ of the preceding real estate 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. 3. Section four hundred forty-one point twenty-one (441.21), subsection one (1), unnumbered paragraphs two (2), six (6) and eight (8), Code 1979, are amended to read as follows:

The actual value of all property subject to assessment and taxation shall be the fair and reasonable market value of such property except as otherwise provided in this section. "Market value" is defined as the fair and reasonable exchange in the year in which the property is listed and valued between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and each being familiar with all the facts relating to the particular property. Sale prices of the property or comparable property in normal

transactions reflecting market value, and the probable availability or unavailability of persons interested in purchasing the property, shall be taken into consideration in arriving at its market value. In arriving at market value, sale prices of property in abnormal transactions not reflecting market value shall not be taken into account, or shall be adjusted to eliminate the effect of factors which distort market value, including but not limited to sales to immediate family of the seller, foreclosure or other forced sales, contract sales, discounted purchase transactions or purchase of adjoining land or other land to be operated as a unit.

~~Notwithstanding the provisions of this section, in assessing and determining the actual value of agricultural property as of January 1, 1978, and January 1, 1979, the~~ The actual value of agricultural property shall be determined on the basis of productivity and net earning capacity of the property determined on the basis of its use for agricultural purposes capitalized at a rate of seven percent and applied uniformly among counties and among classes of property.

Notwithstanding any other provision of this section, the actual value of any property shall not exceed its fair and reasonable market value, except agricultural property which shall be valued exclusively as provided in unnumbered paragraph six (6) of this subsection. ~~For agricultural property, the assessed value as determined under this section shall not exceed the actual value of such property and the assessed value of residential property as determined under this section shall not exceed the fair and reasonable market value of such property.~~

Sec. 4. Section four hundred forty-one point twenty-one (441.21), subsection one (1), Code 1979, is amended by striking paragraphs a and b and unnumbered paragraph five (5).

Sec. 5. Section four hundred forty-one point twenty-one (441.21), subsections five (5), eight (8), and twelve (12), Code 1979, are amended to read as follows:

5. For valuations established as of January 1, 1979, the percentage of actual value at which agricultural and

residential property 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 dividend as determined for each class of property for valuations established as of January 1, 1978, 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 1978, plus six percent of the amount so determined. However, if the difference between the dividend so determined for either class of property and the dividend for that class of property for valuations established as of January 1, 1978, 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 1978, is less than six percent, the 1979 dividend for the other class of property shall be the dividend as determined for that class of property for valuations established as of January 1, 1978, 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 1978, plus a percentage of the amount so determined which is equal to the percentage by which the dividend as determined for the other class of property for valuations established as of January 1, 1978, 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 1978, is increased in arriving at the 1979 dividend for the other class of property. The divisor for each class of property shall be

the total actual value of all such property in the state in the preceding year, as reported by the assessors on the abstracts of assessment submitted for 1978, plus the amount of value added to said 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. The director shall utilize information reported on abstracts of assessment submitted pursuant to section 441.45 in determining such percentage. For valuations established as of January 1, 1980, 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 agricultural and residential property shall be assessed shall be calculated in accordance with the methods provided herein including the limitation of increases in agricultural and residential assessed values to the percentage increase of the other class of property if the other class increases less than the allowable limit 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.

8. For valuations established as of January 1, 1979, against which taxes will be levied for the fiscal year beginning in the 1979 calendar year by any special charter city that levies and collects its own taxes, the percentage of actual value at which agricultural and residential property 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, 1978, and upon which any special charter city levied its taxes in 1978, 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 assessor on the abstract of assessment for

1978, plus six percent of the amount so determined. The divisor for each class of property shall be the total actual value of all such property in the city in the preceding year, as reported by the assessor on the abstract of assessment submitted for 1978, plus the amount of value added to said total actual value by the revaluation of existing properties in 1979. However, if the estimated statewide growth in assessed valuation is less than six percent for either class of property for 1979, the director shall estimate the percentages by which the statewide valuation of residential and agricultural property will increase in 1979. The lower percentage shall be used in lieu of six percent for both classes of property in calculating the percentages at which agricultural and residential property shall be assessed. The percentage at which agricultural and residential property shall be assessed will be certified by the director on or before May 31, 1979 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, 1980, 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) of the Code at which agricultural and residential property 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.

12. Not later than ~~November 17, 1978,~~ and 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 agricultural property 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 residential property 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. 6. Section four hundred forty-one point twenty-one (441.21), subsection six (6), Code 1979, 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, ~~1980~~ 1981, such agricultural structures and 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 property.

Sec. 7. Section four hundred forty-one point twenty-three (441.23), Code 1979, is amended to read as follows:

441.23 NOTICE OF VALUATION. If there has been an increase or decrease in the valuation of the property, or upon the written request of the person assessed, the assessor shall, at the time of making the assessment, inform the person assessed, in writing, of the valuation put upon the taxpayer's property, and notify the person, if he or she feels aggrieved, to appear before the board of review and show why the assessment should be changed. ~~In odd-numbered years, the~~ The owners of real property shall be notified not later than April ~~15~~ fifteenth of any adjustment of the real property assessment. ~~In even-numbered years, the notice of an increase or decrease in the valuation of the property shall be provided to the owners of real property not later than June 30 as provided in section 441.49.~~

Sec. 8. Section four hundred forty-one point twenty-four (441.24), Code 1979, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. However, all or part of the penalty imposed under this section may be waived by the board of review upon application to the board by the assessor or the property owner. The waiver or reduction in the penalty shall be allowed only on the valuation of real property against which the penalty has been imposed.

Sec. 9. Section four hundred forty-one point twenty-six (441.26), Code 1979, is amended to read as follows:

441.26 ASSESSMENT ROLLS AND BOOKS. The director of revenue shall each year prescribe the form of assessment roll to be used by all assessors in assessing real and personal property, including moneys and credits, in this state, also the form of pages of the assessor's assessment book. Such assessment rolls shall be in such form as will permit entering thereon, separately, the names of all persons, partnerships, corporations, or associations assessed; shall contain a form of oath or affirmation to be administered to each person assessed, and shall also contain a notice in substantially the following form:

"If you are not satisfied that the foregoing assessment is correct, you may file a protest against such assessment with the board of review on or after April ~~16~~ sixteenth, to and including May 5 fifth, of the year of the assessment, such protest to be confined to the grounds specified in section 441.37. Dated day of, 19....., County/City Assessor."

~~The dates specified in the notice sent to the owner of property in even-numbered years shall contain the dates for filing of protests as provided in section 441.49.~~

The notice in 1981 and each odd-numbered year thereafter shall contain a statement that the assessments are subject to equalization pursuant to an order issued by the director of revenue, that the county auditor shall give notice on or before October fifteenth by publication in an official

newspaper of general circulation to any class of property affected by the equalization order, and that the board of review shall be in session from October fifteenth to November fifteenth to hear protests of affected property owners or taxpayers whose valuations have been adjusted by the equalization order.

Such assessment rolls shall be used in listing the property and showing the values affixed to such property of all persons, partnerships, corporations, or associations assessed, which rolls shall be made in duplicate. Said duplicate roll shall be signed by the assessor, detached from the original and delivered to the person assessed if there has been an increase or decrease in the valuation of the property, or upon the written request of the person assessed. It shall be lawful to combine the affidavit or form of oath or affirmation with reference to real and personal property, and the affidavit or form of oath or affirmation as to moneys and credits, into one affidavit or form of oath or affirmation, and only the one such affidavit or form of oath or affirmation shall be sufficient on the assessment roll. The pages of the assessor's assessment book shall contain columns ruled and headed for the information required by this chapter and that which the director of revenue may deem essential in the equalization work of the director. The assessor shall return all assessment rolls and any schedules therewith to the county auditor, along with the completed assessment book, as provided in this chapter, and the county auditor shall carefully keep and preserve all such rolls, schedules and book for a period of five years from the time of filing of the same in ~~his~~ the county auditor's office.

Beginning with valuations for January 1, 1977 and each succeeding year, for each parcel of property entered in the assessment book, the assessor shall list the classification of the property.

Sec. 10. Section four hundred forty-one point twenty-eight (441.28), Code 1979, is amended to read as follows:

441.28 ASSESSMENT ROLLS--CHANGE--NOTICE TO TAXPAYER.

The assessment shall be completed not later than April 15 ~~in odd-numbered years and not later than May 15 in even-numbered years~~ fifteenth each year. If the assessor makes any change in an assessment after it has been entered on the assessor's rolls, ~~he~~ the assessor shall note on said roll, together with the original assessment, the new assessment and the reason for the change, together with ~~his~~ the assessor's signature and the date of the change. Provided, however, in the event the assessor increases any assessment ~~he~~ the assessor shall give notice in writing thereof to the taxpayer by mail prior to the meeting of the board of review. No changes shall be made on the assessment rolls after April 15 ~~in odd-numbered years and after May 15 in even-numbered years~~ fifteenth except by order of the board of review or by decree of court.

Sec. 11. Section four hundred forty-one point thirty (441.30), Code 1979, is amended to read as follows:

441.30 COMPLETION OF ASSESSMENT--OATH. The assessment shall be completed by ~~the first day of May in odd-numbered years or June 1 in even-numbered years~~, April fifteenth and the assessor shall attach to the assessment rolls his or her oath in the following form:

"I, (A B), assessor of city/county of state of Iowa, do solemnly swear (or affirm) that the taxable values of all property, money, and credits, of which a statement has been made and verified by the oath of the person required to list the same, is herein set forth in such statement; that in every case, where I have been required to ascertain the amount or value of any property, I have diligently, and by the best means in my power, endeavored to ascertain the true amount and value, and as I verily believe the taxable values thereof are set forth in the annexed return; in no case have I knowingly omitted to demand of any person, of whom I was required to do so, a statement of the items of ~~his~~ the person's property which ~~he~~ the person was required by law to list, nor to administer

the oath to ~~him~~ the person, unless ~~he~~ the person refused to take it, nor in any way connive at any violation or evasion of any of the requirements of the law in relation to the assessment of property for taxation.

.....
Assessor

Subscribed and sworn to (or affirmed) this day of A.D....., before me.

.....
Notary Public/Clerk of Court"

Sec. 12. Section four hundred forty-one point thirty-three (441.33), Code 1979, is amended to read as follows:

441.33 SESSIONS OF BOARD OF REVIEW. The board of review shall be in session from May 1 first to May 31 ~~in~~ thirty-first each ~~odd-numbered~~ year and for such additional period as may be required under section 441.37 and shall hold as many meetings as are necessary to discharge its duties. On June 1 first in any ~~odd-numbered year~~ those years in which a session has not been extended as required under section 441.37, said board shall return all books, records and papers to the assessor except undisposed of protests and records pertaining thereto. If it has not completed its work prior to June 1 first, in those years in which the session has not been extended under section 441.37 the director of revenue may authorize the board of review to continue in session for such period as is necessary to complete its work, but in no event shall the director of revenue approve a continuance extending beyond July 15 fifteenth. On June 1 first or on the final day of any extended session required under section 441.37 or authorized by the director of revenue as herein provided the board of review shall be adjourned until May 1 first of the following year. It shall adopt its own rules of procedure, elect its own chairman from its membership, and keep minutes of its meetings. The board shall appoint a clerk who may be a member of such board or any other qualified person, except the assessor or any member of ~~his~~ the assessor's staff. It may be reconvened by the director of revenue. All

undisposed protests in its hands on July ~~15~~ fifteenth shall be automatically overruled and returned to the assessor together with its other records.

~~in-even-numbered-years,-the-board-of-review-shall-be-in session-at-the-times-designated-in-section-441-49-~~

Within fifteen days following the adjournment of any regular or special session, the board of review shall submit to the director of revenue, on forms prescribed by the director, a report of any actions taken during that session.

Sec. 13. Section four hundred forty-one point thirty-seven (441.37), unnumbered paragraph one (1), Code 1979, is amended to read as follows:

Any property owner or aggrieved taxpayer who is dissatisfied with his or her assessment may file a protest against such assessment with the board of review on or after April ~~16~~ sixteenth, to and including May ~~5~~ fifth, of the year of the assessment. In any county which has been declared to be a disaster area by proper federal authorities after March ~~1~~ first and prior to May ~~20~~ twentieth of said year of assessment, the board of review shall be authorized to remain in session until June fifteenth and the time for filing a protest shall be extended to and include the period from May ~~25~~ twenty-fifth to June ~~5~~ fifth of such year. Said protest shall be in writing and signed by the one protesting or by his or her duly authorized agent. ~~The-dates-specified-in-this-section-shall apply-only-in-odd-numbered-years---The-time-for-filing-of protests-in-even-numbered-years-shall-be-as-provided-in-section 441-49---Taxpayer~~ The taxpayer may have an oral hearing thereon if request therefor in writing is made at the time of filing the protest. Said protest must be confined to one or more of the following grounds:

Sec. 14. Section four hundred forty-one point forty-five (441.45), Code 1979, is amended to read as follows:

441.45 ABSTRACT TO STATE DEPARTMENT OF REVENUE. The county assessor of each county and each city assessor shall, on or before July ~~1-in-odd-numbered-years-and-on-or-before September-15-in-even-numbered-years~~ first of each year, make

out and transmit to the department of revenue an abstract of the real and personal property in his or her county or city, as the case may be, and file a copy thereof with the county auditor, in which ~~he~~ the assessor shall set forth:

1. The number of acres of land and the aggregate taxable values of the same, exclusive of city lots, returned by the assessors, as corrected by the board of review.
2. The aggregate taxable values of real estate by class in each school district, township and city in the county, returned as corrected by the board of review.
3. The aggregate taxable values of personal property.
4. Other facts as may be required by the director of revenue.

In any case where a board of review continues in session beyond June ~~17-in-any-odd-numbered-year,-or-beyond-August 15-in-even-numbered-years~~ first, under provisions of sections 441.33 and 441.37 the abstract of the real and personal property shall be made out and transmitted to the department of revenue within fifteen days after the date of final adjournment by said board.

Sec. 15. Section four hundred forty-one point forty-eight (441.48), Code 1979, is amended to read as follows:

441.48 NOTICE OF ADJUSTMENT. Before the director of revenue shall adjust the valuation of any class of property any such percentage, the director shall serve ten days' notice by mail, on the ~~assessor~~ county auditor of the county whose valuation is proposed to be adjusted and the director shall hold an adjourned meeting after such ten days' notice, at which time ~~such~~ the county or assessing jurisdiction may appear by its city council or board of supervisors, city or county attorney, and other assessing jurisdiction, city or county officials, and make written or oral protest against such proposed adjustment, which protest shall consist simply of a statement of the error, or errors, complained of with such facts as may lead to their correction, and at such adjourned meeting final action may be taken in reference thereto.

Sec. 16. Section four hundred forty-one point forty-nine (441.49), Code 1979, is amended by striking the section and inserting in lieu thereof the following:

441.49 ADJUSTMENT BY AUDITOR. The director shall keep a record of the review and adjustment proceedings and finish the proceedings on or before October first unless for good cause the proceedings cannot be completed by that date. The director shall notify each county auditor by mail of the final action taken at the proceedings and specify any adjustments in the valuations of any class of property to be made effective for the jurisdiction.

However, an assessing jurisdiction may request the director to permit the use of an alternative method of applying the equalization order to the property values in the assessing jurisdiction, provided that the final valuation shall be equivalent to the director's equalization order. The assessing jurisdiction shall notify the county auditor of the request for the use of an alternative method of applying the equalization order and the director's disposition of the request. The request to use an alternative method of applying the equalization order, including procedures for notifying affected property owners and appealing valuation adjustments, shall be made within ten days from the date the county auditor receives the equalization order and the valuation adjustments, and appeal procedures shall be completed by November thirtieth of the year of the equalization order. Compliance with the provisions of section four hundred forty-one point twenty-one (441.21) of the Code is sufficient grounds for the director to permit the use of an alternative method of applying the equalization order.

On or before October fifteenth the county auditor shall cause to be published in official newspapers of general circulation the final equalization order. Failure to publish the equalization order has no effect upon the validity of the orders.

The county auditor shall add to or deduct from the valuation of each class of property in the county the required

percentage, rejecting all fractions of fifty cents or less in the result, and counting all fractions over fifty cents as one dollar. For any special charter city that levies and collects its own tax based on current year assessed values, the equalization percentage shall be applied to the following year's values, and shall be considered the equalized values for that year for purposes of this chapter.

The local board of review shall reconvene in special session from October fifteenth to November fifteenth for the purpose of hearing the protests of affected property owners or taxpayers within the jurisdiction of the board whose valuation of property if adjusted pursuant to the equalization order issued by the director of revenue will result in a greater value than permitted under section four hundred forty-one point twenty-one (441.21) of the Code. The board of review shall accept protests only during the first ten days following the date the local board of review reconvenes. The board of review shall limit its review to only the timely filed protests. The board of review may adjust all or a part of the percentage increase ordered by the director of revenue by adjusting the actual value of the property under protest to one hundred percent of actual value. Any adjustment so determined by the board of review shall not exceed the percentage increase provided for in the director's equalization order. The determination of the board of review on filed protests is final, subject to review by the director of revenue for the purpose of determining whether the board's actions substantially altered the equalization order. In making the review, the director has all the powers provided in chapter four hundred twenty-one (421) of the Code, and in exercising the powers the director is not subject to chapter seventeen A (17A) of the Code. Not later than ten days following the adjournment of the board, the board of review shall submit to the director of revenue, on forms prescribed by the director, a report of all actions taken by the board of review during this session.

Not later than ten days after the date the final equalization order is issued, the city or county officials of the affected county or assessing jurisdiction may appeal the final equalization order to the state board of tax review. The appeal shall not delay the implementation of the equalization orders.

Tentative and final equalization orders issued by the director of revenue are not rules as defined in section seventeen A point two (17A.2), subsection seven (7) of the Code.

Sec. 17. NEW SECTION. DEFINITION. As used in this Act, "committee" means the county finance committee.

Sec. 18. NEW SECTION. COUNTY FINANCE COMMITTEE.

1. There is created a county finance committee consisting of nine members. The members of the committee shall be:
 - a. The auditor of state or a designee of the auditor of state.
 - b. The state comptroller or a designee of the state comptroller.
 - c. Five elected county officials who are regularly involved in budget preparation. One county official shall be from a county with a population of less than eleven thousand five hundred, one from a county with a population of more than eleven thousand five hundred but not more than sixteen thousand, one from a county with a population of more than sixteen thousand but not more than twenty-two thousand five hundred, one from a county with a population of more than twenty-two thousand five hundred but not more than eighty thousand and one from a county with a population of more than eighty thousand. The governor shall select and appoint the county officials, subject to the approval of two-thirds of the members of the senate.
 - d. A certified public accountant experienced in governmental accounting selected and appointed by the governor with the approval of two-thirds of the members of the senate.
 - e. An operations research analyst experienced in cost effectiveness analysis of county services appointed by, and to serve at the pleasure of, the legislative council.

2. The members of the committee appointed by the governor are appointed for four-year terms except that of the initial appointments, two county official members shall be appointed to two-year terms. When a county official member no longer holds the office which qualified him or her for appointment, he or she shall no longer be a member of the committee. Any person appointed to fill a vacancy shall be appointed to serve the unexpired term. Any member is eligible for reappointment, but a member shall not be appointed to serve more than two four-year terms.

Sec. 19. NEW SECTION. OFFICE--STAFF--COMPENSATION.

1. The committee is located for administrative purposes within the office of state comptroller. The state comptroller shall provide office space, staff assistance, and necessary supplies and equipment for the committee. The state comptroller shall budget funds to pay the compensation and expenses of the committee.
2. Each member is entitled to reimbursement for actual and necessary expenses incurred in the performance of committee duties. Each member, except officers and employees of the state and full-time elected county officials, is entitled to receive a per diem of forty dollars for each day spent in the performance of committee duties.
3. The committee shall select its own officers except that the state comptroller or a designee of the state comptroller shall serve as chairperson.

Sec. 20. NEW SECTION. POWERS AND DUTIES OF THE COMMITTEE. The committee shall:

1. Design budget forms for all county funds.
2. Establish guidelines for program budgeting and accounting and the preparation of five-year capital improvement plans. It shall, where practicable, use recommendations of the national council on governmental accounting.
3. Review and comment on county budgets to county officials and provide assistance to enable counties to improve upon and use sound financial procedures.

4. Conduct studies of county revenues and expenditures.
5. Advise and make recommendations annually to the governor and the general assembly concerning county budgets and finance.
6. Promulgate its rules in compliance with chapter seventeen A (17A) of the Code.

Sec. 21. NEW SECTION. ADDITIONAL DUTIES. In addition to the powers and duties specified in the preceding section of this Act, the committee shall prepare legislation for submission to the general assembly in January, 1981, which would have as its principal purpose the consolidation of current county funds into not more than seven functional funds. The committee shall also make recommendations for appropriate budget or levy limitations for the proposed consolidated funds.

Sec. 22. NEW SECTION. The county finance committee established by this Act is abolished on July 1, 1981.

Sec. 23. The legislative council is directed to create a ten-member study committee composed of five members each from the standing committees on ways and means of the senate and house of representatives representing both political parties, which committee shall conduct during the 1979 legislative interim 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 taxes upon multifamily and multipurpose residential property, determining the amount of such property in this state.
3. The impact of the current property tax system on commercial property.

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 committee shall transmit copies of its final report to the governor and the members of the Sixty-eighth

General Assembly, 1980 Session, not later than December 1, 1979. The final report shall include findings of fact and its recommendations.

Sec. 24. When the board of review meets in special session from October 15, 1979 to November 15, 1979 to hear protests on property valuation which have been adjusted in 1979 by the equalization order, the board shall also review any application for waiver of reduction allowed to be filed with the board under section eight (8) of this Act.

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 757, Sixty-eighth General Assembly.

DAVID L. WRAY
Chief Clerk of the House

Approved June 4, 1979

ROBERT D. RAY
Governor