

Do Pass 5/2/83
APR 22 1983
Sen. Wayne Thompson 5/10/83 (p. 1644)
FINANCE

HOUSE FILE 640
BY COMMITTEE ON WAYS AND MEANS

(Formerly Study Bill 334)

Passed House, Date 5-5-83 (p. 1798) Passed Senate, Date 5-11-83 (p. 1662)
Vote: Ayes 98 Nays 0 Vote: Ayes 48 Nays 0
Approved June 6, 1983

A BILL FOR

1 An Act providing for the filing of a claim for a property tax
2 exemption by certain nonprofit organizations only once
3 without refileing a claim in subsequent years so long as
4 the ownership of the property or use of the property
5 remains unchanged, subject to a penalty provided by law.

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

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HF 640

1 Section 1. Section 427.1, subsection 23, Code 1983, is
2 amended to read as follows:

3 23. STATEMENT OF OBJECTS AND USES FILED. ~~Every~~ A society
4 or organization claiming an exemption under ~~the provisions~~
5 ~~of either~~ subsection 6 or subsection 9 of this section shall
6 file with the assessor not later than February 1 ~~of the year~~
7 ~~for which such exemption is requested,~~ a statement upon forms
8 to be prescribed by director of revenue, describing the nature
9 of the property upon which ~~such~~ the exemption is claimed and
10 setting out in detail any uses and income from ~~such~~ the
11 property derived from ~~such~~ the rentals, leases or other uses
12 of ~~such~~ the property not solely for the appropriate objects
13 of ~~such~~ the society or organization. Upon the filing and
14 allowance of the claim, the claim shall be allowed on the
15 property for successive years without further filing as long
16 as the property is used for the purposes specified in the
17 original claim for exemption. When the property is sold or
18 transferred, the county recorder shall provide notice of the
19 transfer to the assessor. The notice shall describe the
20 property transferred and the name of the person to whom title
21 to the property is transferred. The assessor, in arriving
22 at the valuation of any property of ~~such~~ the society or
23 organization, shall take into consideration any uses of the
24 property not for the appropriate objects of the organization
25 and shall assess in the same manner as other property, all
26 or any portion of the property involved which is leased, ~~let~~
27 or rented and is used regularly for commercial purposes for
28 a profit to ~~any~~ a party or individual. ~~In any case where~~
29 if a portion of the property is used regularly for commercial
30 purposes ~~no~~ an exemption shall not be allowed upon property
31 so used and the exemption granted shall be in the proportion
32 of the value of the property used solely for the appropriate
33 objects of the organization, to the entire value of the
34 property. ~~No~~ An exemption shall not be granted upon any
35 property upon or in which persistent violations of the laws

1 of the state of Iowa are permitted. Every A claimant of an
2 exemption shall, under oath, declare that no such violations
3 of law will be knowingly permitted or have been permitted
4 on or after January 1 of the year ~~for~~ in which a tax exemption
5 is requested. Claims for such exemption shall be verified
6 under oath by the president or other responsible heads head
7 of the organization. A society or organization which ceases
8 to use the property for the purposes stated in the claim shall
9 provide written notice to the assessor of the change in use.

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

EXPLANATION

The bill provides for a one-time filing for a property
tax exemption for certain nonprofit organizations which shall
continue for successive years so long as the ownership of
the property or the use of the property remains unchanged.
The bill takes effect July 1 following enactment.



HOUSE FILE 640

AN ACT

PROVIDING FOR THE FILING OF A CLAIM FOR A PROPERTY TAX EXEMPTION BY CERTAIN NONPROFIT ORGANIZATIONS ONLY ONCE WITHOUT REFILING A CLAIM IN SUBSEQUENT YEARS SO LONG AS THE OWNERSHIP OF THE PROPERTY OR USE OF THE PROPERTY REMAINS UNCHANGED, SUBJECT TO A PENALTY PROVIDED BY LAW.

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

Section 1. Section 427.1, subsection 23, Code 1983, is amended to read as follows:

23. STATEMENT OF OBJECTS AND USES FILED. Every A society or organization claiming an exemption under ~~the provisions of either~~ subsection 6 or subsection 9 of this section shall file with the assessor not later than February 1 ~~of-the-year~~

~~for which such exemption is requested,~~ a statement upon forms to be prescribed by director of revenue, describing the nature of the property upon which ~~such the~~ exemption is claimed and setting out in detail any uses and income from ~~such the~~ property derived from ~~such the~~ rentals, leases or other uses of ~~such the~~ property not solely for the appropriate objects of ~~such the~~ society or organization. Upon the filing and allowance of the claim, the claim shall be allowed on the property for successive years without further filing as long as the property is used for the purposes specified in the original claim for exemption. When the property is sold or transferred, the county recorder shall provide notice of the transfer to the assessor. The notice shall describe the property transferred and the name of the person to whom title to the property is transferred. The assessor, in arriving at the valuation of any property of ~~such the~~ society or organization, shall take into consideration any uses of the property not for the appropriate objects of the organization and shall assess in the same manner as other property, all or any portion of the property involved which is leased, ~~let~~ or rented and is used regularly for commercial purposes for a profit to any a party or individual. ~~in any case where~~ If a portion of the property is used regularly for commercial purposes ~~no an~~ exemption shall not be allowed upon property so used and the exemption granted shall be in the proportion of the value of the property used solely for the appropriate objects of the organization, to the entire value of the property. ~~No An~~ exemption shall not be granted upon any property upon or in which persistent violations of the laws of the state ~~of Iowa~~ are permitted. Every A claimant of an exemption shall, under oath, declare that no ~~such~~ violations of law will be knowingly permitted or have been permitted on or after January 1 of the year ~~for in~~ which a tax exemption is requested. Claims for ~~such~~ exemption shall be verified under oath by the president or other responsible ~~heads~~ head

H.F. 640

of the organization. A society or organization which ceases to use the property for the purposes stated in the claim shall provide written notice to the assessor of the change in use.

DONALD D. AVENSON
Speaker of the House

ROBERT T. ANDERSON
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 640, Seventieth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved June 6, 1983

TERRY E. BRANSTAD
Governor