

FILED MAY 4 1983

SENATE FILE 540

BY COMMITTEE ON APPROPRIATIONS

*Approved 54 (p. 1534)*

Passed Senate, Date 5-9-83 (p. 1546) Passed House, Date 5-10-83 (P. 2000)

Vote: Ayes 39 Nays 7 Vote: Ayes 83 Nays 12

Approved May 27, 1983

### A BILL FOR

1 An Act relating to state payments by providing for single  
 2 payments in each fiscal year of mobile home tax credits,  
 3 agricultural land tax credits, livestock tax credits,  
 4 military tax credits, and personal property tax credits  
 5 to the respective county treasurers by the state  
 6 comptroller, by providing for obligation of state  
 7 funds for goods and services delivered only during  
 8 the fiscal year with certain exceptions, by providing  
 9 for monthly payments of funds to school districts under  
 10 chapter 442, and by providing for assessment of court  
 11 costs to public utilities.

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

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S.F. 540

1 Section 1. Section 8.33, Code 1983, is amended by adding  
2 the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. No payment of an obligation  
4 for goods and services shall be charged to an appropriation  
5 subsequent to the last day of the fiscal term for which the  
6 appropriation is made unless such goods or services are  
7 received on or before the last day of the fiscal term, except  
8 that repair projects and other contracts for services and  
9 capital expenditures for the purchase of land or the erection  
10 of buildings or new construction, which were committed and  
11 in progress prior to the end of the fiscal term are excluded  
12 from this provision.

13 Sec. 2. Section 135D.22, unnumbered paragraph 4, Code  
14 1983, is amended to read as follows:

15 The amounts due each county shall be paid ~~in two equal~~  
16 ~~payments~~ by the state comptroller on May April 15 and November  
17 ~~15~~ of each year, drawn upon warrants payable to the respective  
18 county treasurers. The county treasurer in each county shall  
19 apportion ~~such~~ the payment in accordance with section 135D.25.

20 Sec. 3. Section 426.7, Code 1983, is amended to read as  
21 follows:

22 426.7 WARRANTS DRAWN BY COMPTROLLER. After receiving  
23 from the ~~several~~ county auditors ~~of the state~~ the  
24 certifications provided for in section 426.6, and during the  
25 following fiscal year, the state comptroller shall draw  
26 warrants on the agricultural land credits fund created by  
27 ~~this chapter~~ in section 426.1, payable to the county treasurers  
28 ~~of the several counties of the state~~ in the ~~total~~ amount  
29 certified by the county auditors of the respective counties  
30 and mail ~~said~~ the warrants to the county auditors ~~of said~~  
31 ~~counties in two equal payments on or before September 15 and~~  
32 ~~March~~ on May 15 of each ~~fiscal~~ year, ~~provided that in the~~  
33 ~~event.~~ However, if the agricultural land credits fund is  
34 insufficient to pay in full the total of the amounts certified  
35 to the state comptroller ~~on the first of June~~, the state

1 comptroller shall prorate the fund to the ~~several~~ county  
2 treasurers and notify the ~~several~~ county auditors of the pro  
3 rata percentage on or before August 1.

4 Sec. 4. Section 426A.4, Code 1983, is amended to read  
5 as follows:

6 426A.4 CERTIFICATION BY DIRECTOR OF REVENUE. Sums  
7 distributable from the military service tax credit fund shall  
8 be allocated ~~every-six-months~~ annually to the ~~several~~ counties  
9 of the state. On ~~March-25-and-September-25~~ October 15 annually  
10 the director of revenue shall certify to the comptroller the  
11 total credits claimed by each county. Upon receipt of the  
12 certification from the director of revenue, the comptroller  
13 shall draw warrants to the treasurer of each county payable  
14 from the military service tax credit fund in the amount  
15 claimed, ~~provided-that.~~ However, if the amount of money in  
16 the fund is insufficient to pay the credits claimed in full,  
17 ~~then-in-that-event-they~~ the claims shall be paid on a pro  
18 rata basis. Payments shall be made to the treasurer of each  
19 county not later than ~~April-15-and~~ October 15 of each year.  
20 The state comptroller shall transfer any funds in the military  
21 service tax credit fund on May 31 of each year not necessary  
22 for the payment of claims to the general fund.

23 Sec. 5. Section 427.17, subsection 4, Code 1983, is amended  
24 to read as follows:

25 4. The amounts due each taxing district shall be paid  
26 on warrants payable to the respective county treasurers ~~in~~  
27 ~~two-equal-payments~~ by the state comptroller on ~~March-15-and~~  
28 ~~September~~ October 15 of each year ~~with-the-first-payment~~  
29 ~~starting-March-15,-1974.~~ The county treasurer shall apportion  
30 the proceeds to the various taxing districts in the county.

31 Sec. 6. Section 427A.12, subsection 7, Code 1983, is  
32 amended to read as follows:

33 7. The amount due each taxing district shall be paid in  
34 the form of warrants payable to the respective county  
35 treasurers by the state comptroller ~~in-two-equal-payments~~

1 on ~~September-15-and-March~~ November 15 of each fiscal year.  
2 ~~The-first-payment-shall-be-made-on-March-15,-1974-~~ The county  
3 treasurer shall pay the proceeds to the various taxing  
4 districts in the county.

5 Sec. 7. Section 442.26, unnumbered paragraph 2, Code 1983,  
6 is amended by striking the unnumbered paragraph and inserting  
7 in lieu thereof the following:

8 All state aids paid under this chapter, unless otherwise  
9 stated, shall be paid in monthly installments beginning on  
10 September 15 of a budget year and ending on June 15 of the  
11 budget year and the installments shall be as nearly equal  
12 as possible as determined by the state comptroller, taking  
13 into consideration the relative budget and cash position of  
14 the state resources. However, the state aids paid to school  
15 districts under section 442.28 shall be paid in monthly  
16 installments beginning on December 15 and ending on June 15  
17 of a budget year and state aids paid to school districts under  
18 section 442.38 shall be paid in monthly installments beginning  
19 on February 15 and ending on June 15 of a budget year.

20 Sec. 8. Section 476.10, unnumbered paragraph 1, Code 1983,  
21 is amended to read as follows:

22 Whenever the commission shall deem it necessary in order  
23 to carry out the duties imposed upon it by this chapter for  
24 the purpose of determining rate matters to investigate the  
25 books, accounts, practices, and activities of, or make  
26 appraisals of the property of any a public utility, or to  
27 render any engineering or accounting services to any public  
28 utility, ~~such~~ that public utility shall pay the expense  
29 reasonably attributable to ~~such~~ that investigation, appraisal,  
30 or service. The commission shall ascertain ~~such~~ the expenses,  
31 and shall render a bill ~~therefor~~ for the expenses, by certified  
32 mail, to the public utility, either at the conclusion of the  
33 investigation, appraisal, or services, or from time to time  
34 during its progress, which bill shall constitute notice of  
35 ~~said~~ assessment and demand payment ~~thereof~~. The total amount

1 of ~~such~~ the expense in ~~any-one~~ a calendar year, for which  
2 ~~any~~ a public utility shall become liable, shall not exceed  
3 two-tenths of one percent of its gross operating revenues  
4 derived from intrastate public utility operations in the last  
5 preceding calendar year. Expenses resulting from court  
6 proceedings, when attributable to a single utility, shall  
7 be directly assessed to the utility in question under this  
8 paragraph regardless of whether the court proceeding relates  
9 to a rate matter or any other matter.

10

## EXPLANATION

11 The bill changes the payment schedule for certain tax  
12 credits to the respective county treasurers by the state  
13 comptroller. Currently, the mobile home tax credit is paid  
14 annually in two installments on May 15 and November 15 by  
15 the state comptroller. The bill provides for the payment  
16 to the county treasurers of the entire annual amount on April  
17 15. Current law provides that agricultural land tax credits  
18 be paid in two installments on September 15 and March 15 of  
19 each fiscal year. The bill provides that the entire amount  
20 be paid to the respective county treasurers on May 15 of each  
21 fiscal year. Current law provides that the military tax  
22 credit be paid in two installments on September 25 and March  
23 25 of each year. The bill provides for the payment of the  
24 entire amount on October 15 of each year. Current law provides  
25 that the livestock tax credit be paid on March 15 and September  
26 15 of each year. The bill amends the current law to provide  
27 for one payment on October 15 of each year. Current law  
28 provides that the personal property tax credit be paid on  
29 September 15 and March 15 of each year. The bill provides  
30 for payment on November 15. The bill provides for monthly,  
31 rather than quarterly, installments of school foundation aid  
32 payments beginning September 15 and ending June 15, subject  
33 to the cash position of the state. Further, the payment of  
34 advances is also charged to a monthly basis. The bill also  
35 provides that obligations may not be incurred on the last

1 day of a fiscal period except for projects commenced before  
2 that date which are listed in section 1. The bill further  
3 provides that expenses of court proceedings attributable to  
4 a single utility shall be paid by that utility. The bill  
5 takes effect July 1 following enactment.

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SENATE FILE 540

S-3804

1 Amend Senate File 540 as follows:

2 1. Page 4, line 5, by inserting after the word  
3 "Expenses" the words "of the commission and the  
4 consumer advocate".

5 2. Page 4, line 6, by inserting after the word  
6 "proceedings" the words "initiated by a utility".

S-3804 FILED

MAY 5, 1983

RULED OUT OF ORDER (p. 1546)

BY JAMES D. WELLS

RICHARD F. DRAKE

SENATE FILE 540

S-3807

1 Amend Senate File 540 as follows:

2 1. Page 4, by inserting after line 9 the following  
3 sections:

4 "Sec. \_\_\_\_ . Sections 1 through 6 and section 8  
5 of this Act takes effect July 1 following enactment.

6 Sec. \_\_\_\_ . This Act, being deemed of immediate  
7 importance, takes effect from and after its publication  
8 in the Iowa City Press-Citizen, a newspaper published  
9 in Iowa City, Iowa, and in the Muscatine Journal,  
10 a newspaper published in Muscatine, Iowa."

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

S-3807 FILED

MAY 5, 1983

*Ordered out of order 5/6/83 (p. 1546)*

BY ARTHUR A. SMALL, JR.

SENATE FILE 540

S-3808

1 Amend Senate File 540 as follows:

2 1. Page 3, by striking line 20 through page 4, line  
3 9.

S-3808 FILED & ADOPTED

MAY 5, 1983 (p. 1546)

BY DALE L. TIEDEN

JAMES V. GALLAGHER

SENATE FILE 540

S-3825

1 Amend the amendment S-3821 to Senate File 540 as  
2 follows:

3 1. Page 4, by striking lines 32 through 36 and  
4 inserting in lieu thereof the following:

5 "Sec. 11. Sections 2 and 7 of this Act take effect  
6 upon publication. All other sections of this Act take  
7 effect July 1 following enactment.

8 Sec. 12. This Act, being deemed of immediate  
9 importance, takes effect from and after its publication  
10 in the Iowa City Press-Citizen, a newspaper published  
11 in Iowa City, Iowa, and in the Muscatine Journal,  
12 a newspaper published in Muscatine, Iowa."

S-3825 FILED & ADOPTED

MAY 9, 1983 (p. 1542)

BY ARTHUR A. SMALL, JR.

SENATE FILE 540

S-3814

1 Amend Senate File 540 as follows:  
2 1. Page 4, by inserting after line 9 the following:  
3 "Sec. \_\_\_\_ Sections 2 and 7 of this Act take effect  
4 upon publication. All other sections of this Act take  
5 effect July 1 following enactment.  
6 Sec. \_\_\_\_ This Act, being deemed of immediate  
7 importance, takes effect from and after its publication  
8 in the Iowa City Press-Citizen, a newspaper published  
9 in Iowa City, Iowa, and in the Muscatine Journal,  
10 a newspaper published in Muscatine, Iowa."  
11 2. Renumber sections and correct internal  
12 references as necessary in accordance with this  
13 amendent.

S-3814 FILED

BY ARTHUR A. SMALL, JR.

MAY 6, 1983

*Placed out of order 5/6/83 (p. 1596)*

SENATE FILE 540

S-3827

1 Amend the amendent S-3821 to Senate File 540  
2 as follows:  
3 1. Page 1, by striking lines 33 through 36 and  
4 inserting in lieu thereof the words "shall be as nearly  
5 equal as possible."

S-3827 FILED & LOST (p. 1592)

MAY 9, 1983

RECONSIDERED & ADOPTED (p. 1596)

BY BERL E. PRIEBE

C. JOSEPH COLEMAN

EMIL J. HUSAK

ALVIN A. MILLER

S-3821

SENATE FILE 540

1 Amend Senate File 540 as follows:

2 1. By striking everything after the enacting  
3 clause and inserting in lieu thereof the following:  
4 "Section 1. Section 8.33, Code 1983, is amended  
5 by adding the following new unnumbered paragraph:  
6 NEW UNNUMBERED PARAGRAPH. No payment of an  
7 obligation for goods and services shall be charged  
8 to an appropriation subsequent to the last day of  
9 the fiscal term for which the appropriation is made  
10 unless such goods or services are received on or  
11 before the last day of the fiscal term, except that  
12 repair projects and other contracts for services and  
13 capital expenditures for the purchase of land or the  
14 erection of buildings or new construction, which were  
15 committed and in progress prior to the end of the  
16 fiscal term are excluded from this provision.

17 Sec. 2. Section 135D.22, unnumbered paragraph  
18 4, Code 1983, is amended to read as follows:

19 The amounts due each county shall be paid ~~in two~~  
20 ~~equal payments~~ by the state comptroller on May December  
21 15 and November 15 of each year, drawn upon warrants  
22 payable to the respective county treasurers. The  
23 county treasurer in each county shall apportion the  
24 payment in accordance with section 135D.25.

25 Sec. 3. Section 425.1, subsection 3, Code 1983,  
26 is amended by striking the subsection and inserting  
27 in lieu thereof the following:

28 3. The amount due each county shall be paid by  
29 the state comptroller upon requisition of the director  
30 of revenue in two payments on November 15 and March  
31 15 of each fiscal year, drawn upon warrants payable  
32 to the respective county treasurers. The two payments  
33 shall be as nearly equal as possible as determined  
34 by the state comptroller, taking into consideration  
35 the relative budget and cash position of the state  
36 resources.

37 Sec. 4. Section 425.19, Code 1983, is amended  
38 to read as follows:

39 425.19 CLAIM AND CREDIT OR REIMBURSEMENT. Subject  
40 to the limitations provided in this division, a  
41 claimant may annually claim a credit for property  
42 taxes due during the fiscal year next following the  
43 base year or claim a reimbursement for rent  
44 constituting property taxes paid in the base year.  
45 The amount of the credit for property taxes due for  
46 a homestead shall be paid ~~within one hundred eighty~~  
47 ~~days after receipt of the claim~~ on February 15 of  
48 each year by the director to the county treasurer  
49 who shall credit the money received against the amount  
50 of the property taxes due and payable on the homestead

1 of the claimant and the amount of the reimbursement  
2 for rent constituting property taxes paid shall be  
3 paid to the claimant from the state general fund on  
4 December 31 of each year.

5 Sec. 5. Section 425.23, subsection 3, paragraph  
6 a, Code 1983, is amended to read as follows:

7 a. Any person who is eligible to file a claim  
8 for credit for property taxes due and who has a  
9 household income of five thousand dollars or less  
10 and who has a special assessment levied against the  
11 homestead may file a claim with the county treasurer  
12 that the claimant had a household income of five  
13 thousand dollars or less and that a special assessment  
14 is presently levied against the homestead. The  
15 department shall provide to the respective county  
16 treasurers such forms as are necessary for the  
17 administration of this subsection. The claim shall  
18 be filed not later than September 30 of each year.  
19 Upon the filing of the claim, no penalty or interest  
20 for late payment shall accrue against the amount of  
21 the special assessment due and payable. The claim  
22 filed by the claimant shall constitute a claim for  
23 credit of an amount equal to the actual amount due  
24 and payable upon the special assessment payable during  
25 the fiscal year against the homestead of the claimant  
26 or an amount equal to the annual payment of the special  
27 assessment levied against the homestead of the claimant  
28 and payable in annual installments through the period  
29 of years provided by the governing body of the city,  
30 whichever is less. The department of revenue shall,  
31 upon the filing of the claim with the department by  
32 the county treasurer, pay that amount of the special  
33 assessment during the current fiscal year to the  
34 county treasurer. The county treasurer shall submit  
35 the claims to the director of revenue not later than  
36 October 15 of each year. The director of revenue  
37 shall certify to the state comptroller the amount  
38 of reimbursement due each county for special assessment  
39 credits allowed under this subsection. The amount  
40 of reimbursement due each county shall be paid by  
41 the state comptroller on ~~November~~ October 15 of each  
42 year, drawn upon warrants payable to the respective  
43 county treasurer. There is appropriated annually  
44 from the general fund of the state to the department  
45 of revenue an amount sufficient to carry out the  
46 provisions of this subsection. The county treasurer  
47 shall credit any moneys received from the department  
48 against the amount of the special assessment due and  
49 payable on the homestead of the claimant.

50 Sec. 6. Section 426.7, Code 1983, is amended to

S-3821  
PAGE 3

1 read as follows:

2 426.7 WARRANTS DRAWN BY COMPTROLLER. After  
3 receiving from the ~~several~~ county auditors ~~of-the~~  
4 state the certifications provided for in section  
5 426.6, and during the following fiscal year, the state  
6 comptroller shall draw warrants on the agricultural  
7 land credits fund created ~~by-this-chapter~~ in section  
8 426.1, payable to the county treasurers ~~of-the-several~~  
9 ~~counties-of-the-state~~ in the ~~total~~ amount certified  
10 by the county auditors of the respective counties  
11 and mail ~~said~~ the warrants to the county auditors  
12 ~~of-said-counties-in-two-equal-payments-on-or-before~~  
13 September-15-and-March on August 15 of each fiscal  
14 year, ~~provided-that-in-the-event~~ taking into  
15 consideration the relative budget and cash position  
16 of the state resources. However, if the agricultural  
17 land credits fund is insufficient to pay in full the  
18 total of the amounts certified to the state comptroller  
19 ~~on-the-first-of-June~~, the state comptroller shall  
20 prorate the fund to the ~~several~~ county treasurers  
21 and notify the ~~several~~ county auditors of the pro  
22 rata percentage on or before August 1.

23 Sec. 7. Section 426A.4, Code 1983, is amended  
24 to read as follows:

25 426A.4 CERTIFICATION BY DIRECTOR OF REVENUE.  
26 Sums distributable from the military service tax  
27 credit fund shall be allocated ~~every-six-months~~  
28 annually to the ~~several~~ counties of the state. On  
29 ~~March-25-and-September-25~~ September 15 annually the  
30 director of revenue shall certify to the comptroller  
31 the total credits claimed by each county. Upon receipt  
32 of the certification from the director of revenue,  
33 the comptroller shall draw warrants to the treasurer  
34 of each county payable from the military service tax  
35 credit fund in the amount claimed, ~~provided-that.~~  
36 However, if the amount of money in the fund is  
37 insufficient to pay the credits claimed in full, ~~then~~  
38 ~~in-that-event-they~~ the claims shall be paid on a pro  
39 rata basis. Payments shall be made to the treasurer  
40 of each county not later than ~~April-15-and-October~~  
41 September 15 of each year. The state comptroller  
42 shall transfer any funds in the military service tax  
43 credit fund on May 31 of each year not necessary for  
44 the payment of claims to the general fund.

45 Sec. 8. Section 427.17, subsection 4, Code 1983,  
46 is amended to read as follows:

47 4. The amounts due each taxing district shall  
48 be paid on warrants payable to the respective county  
49 treasurers ~~in-two-equal-payments~~ by the state  
50 comptroller on ~~March-15-and-September~~ July 15 of each

S-3821  
PAGE 4

1 year with the first payment starting March 15, 1974.

2 The county treasurer shall apportion the proceeds  
3 to the various taxing districts in the county.

4 Sec. 9. Section 427A.12, subsection 7, Code 1983,  
5 is amended to read as follows:

6 7. The amount due each taxing district shall be  
7 paid in the form of warrants payable to the respective  
8 county treasurers by the state comptroller ~~in two~~  
9 ~~equal payments on September 15 and March~~ May 15 of  
10 each fiscal year, taking into consideration the  
11 relative budget and cash position of the state

12 resources. ~~The first payment shall be made on March~~  
13 ~~15, 1974.~~ The county treasurer shall pay the proceeds  
14 to the various taxing districts in the county.

15 Sec. 10. Section 442.26, unnumbered paragraph  
16 2, Code 1983, is amended by striking the unnumbered  
17 paragraph and inserting in lieu thereof the following:

18 All state aids paid under this chapter, unless  
19 otherwise stated, shall be paid in monthly installments  
20 beginning on September 15 of a budget year and ending  
21 on June 15 of the budget year and the installments  
22 shall be as nearly equal as possible as determined  
23 by the state comptroller, taking into consideration  
24 the relative budget and cash position of the state  
25 resources. However, the state aids paid to school  
26 districts under section 442.28 shall be paid in monthly  
27 installments beginning on December 15 and ending on  
28 June 15 of a budget year and state aids paid to school  
29 districts under section 442.38 shall be paid in monthly  
30 installments beginning on February 15 and ending on  
31 June 15 of a budget year.

32 Sec. 11. This Act, being deemed of immediate  
33 importance, takes effect from and after its publication  
34 in the Iowa City Press-Citizen, a newspaper published  
35 in Iowa City, Iowa, and in the Muscatine Journal,  
36 a newspaper published in Muscatine, Iowa."

37 2. Amend the title by striking all of the title  
38 after the word "for" in line 1 and inserting in lieu  
39 thereof the words: "payments in each fiscal year of  
40 homestead tax credits, extraordinary tax credits,  
41 mobile home tax credits, agricultural land tax credits,  
42 livestock tax credits, military tax credits, and  
43 personal property tax credits to the respective county  
44 treasurers by the state comptroller, by providing  
45 for obligation of state funds for goods and services  
46 delivered only during the fiscal year with certain  
47 exceptions, and by providing for monthly payments  
48 of funds to school ~~districts~~ under chapter 442."

SENATE FILE 540  
AS PASSED BY THE SENATE REVISED  
FISCAL NOTE  
REQUESTED BY SENATOR SMALL

In compliance with a written request received May 6, 1983, there is hereby submitted a Fiscal Note for Senate File 540, as passed by the Senate, pursuant to Joint Rule 17. Background information used in developing this Fiscal Note is available from the Legislative Fiscal Bureau, to members of the Legislature upon request.

Senate File 540, as passed by the Senate, has the following provisions:

- Changes the payment schedule for certain tax credits to the respective county treasurers by the state comptroller ...

Tax Credit	Dates of Payment	
	Current Dates	S.F. 540
Livestock Credit	09/15 & 03/15	07/15
Ag Land Credit	09/15 & 03/15	08/15
Military Credit	09/25 & 03/25	09/15
Special Assessment	11/15	10/15
Homestead Credit	09/15 & 03/15	11/15 & 03/15
Mobile Home Credit	04/15 & 10/15	12/15
Extraordinary Credit (Property Tax Only)	01/15	02/15
Personal Property Tax	09/15 & 03/15	05/15

Provides for monthly rather than quarterly installments of school foundation aid payments beginning September 15 and ending June 15, subject to the cash position of the state; and

- Provides that obligations of state funds may not be charged to an appropriation on the last day of a fiscal period except for projects commenced before that date, specifically repair projects and other contracts for services and capital expenditures for the purchase of land or new construction, which were committed and in progress prior to the end of the fiscal term.

FISCAL IMPACT: Changes in the payment of the specified tax credits would result in a smoother cash flow from the state treasury and additional interest income to the state. Some losses, although not necessarily on a one-to-one basis, would be incurred in investment moneys to local taxing authorities. The actual gain to the state would depend upon the interest rate earned. If that rate were similar to the current 6.5% rate for short term investment, approximately \$500,600 would be gained annually.

While the school districts would know when and at what levels the school foundation aid funds would be forthcoming, the fiscal effect of this provision is not available. The fiscal effect of changes in the obligations of state funds is not known, although the provision could result in some additional reversion funds.

(1716.X01, 83-511, CMG)

FILED MAY 10, 1983

BY DENNIS PROUTY, FISCAL DIRECTOR

(AS AMENDED AND PASSED BY THE SENATE MAY 9, 1983)

Re Passed Senate, Date 5-11-83 (p. 1655) Passed House, Date 5-10-83 (p. 2000)

Vote: Ayes 44 Nays 1 Vote: Ayes 83 Nays 12

Approved May 27, 1983

### A BILL FOR

1 An Act relating to state payments by providing for payments in  
 2 each fiscal year of homestead tax credits, extraordinary tax  
 3 credits, mobile home tax credits, agricultural land tax credits,  
 4 livestock tax credits, military tax credits, and personal  
 5 property tax credits to the respective county treasurers by  
 6 the state comptroller, by providing for obligation of state  
 7 funds for goods and services delivered only during the fiscal  
 8 year with certain exceptions, and by providing for monthly  
 9 payments of funds to school districts under chapter 442.

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

SENATE FILE 540

H-4128

1 Amend Senate File 540, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 5, line 18, by striking the word and  
4 figures "2 and 7" and inserting in lieu thereof the  
5 word and figures "1 and 10".

H-4128 FILED MAY 10, 1983

BY OSTERBERG of Linn  
DODERER of Johnson

ADOPTED (p. 2000)

SENATE FILE 540

H-4140

1 Amend Senate File 540, as amended, passed and re-  
2 printed by the Senate, as follows:

3 1. Page 3, line 7 by striking the figure "15" and  
4 inserting in lieu thereof the figure "20".

5 2. Page 4, line 16 by striking the figure "15"  
6 and inserting in lieu thereof the figure "30".

H-4140 FILED MAY 10, 1983

BY SCHNEKLOTH of Scott

ADOPTED (p. 2000)

1 Section 1. Section 8.33, Code 1983, is amended by adding  
2 the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. No payment of an obligation  
4 for goods and services shall be charged to an appropriation  
5 subsequent to the last day of the fiscal term for which the  
6 appropriation is made unless such goods or services are  
7 received on or before the last day of the fiscal term, except  
8 that repair projects and other contracts for services and  
9 capital expenditures for the purchase of land or the erection  
10 of buildings or new construction, which were committed and  
11 in progress prior to the end of the fiscal term are excluded  
12 from this provision.

13 Sec. 2. Section 135D.22, unnumbered paragraph 4, Code  
14 1983, is amended to read as follows:

15 The amounts due each county shall be paid ~~in two equal~~  
16 ~~payments~~ by the state comptroller on ~~May~~ December 15 and  
17 ~~November-15~~ of each year, drawn upon warrants payable to the  
18 respective county treasurers. The county treasurer in each  
19 county shall apportion the payment in accordance with section  
20 135D.25.

21 Sec. 3. Section 425.1, subsection 3, Code 1983, is amended  
22 by striking the subsection and inserting in lieu thereof the  
23 following:

24 3. The amount due each county shall be paid by the state  
25 comptroller upon requisition of the director of revenue in  
26 two payments on November 15 and March 15 of each fiscal year,  
27 drawn upon warrants payable to the respective county  
28 treasurers. The two payments shall be as nearly equal as  
29 possible.

30 Sec. 4. Section 425.19, Code 1983, is amended to read  
31 as follows:

32 425.19 CLAIM AND CREDIT OR REIMBURSEMENT. Subject to  
33 the limitations provided in this division, a claimant may  
34 annually claim a credit for property taxes due during the  
35 fiscal year next following the base year or claim a

1 reimbursement for rent constituting property taxes paid in  
2 the base year. The amount of the credit for property taxes  
3 due for a homestead shall be paid ~~within one hundred eighty~~  
4 ~~days after receipt of the claim~~ on February 15 of each year  
5 by the director to the county treasurer who shall credit the  
6 money received against the amount of the property taxes due  
7 and payable on the homestead of the claimant and the amount  
8 of the reimbursement for rent constituting property taxes  
9 paid shall be paid to the claimant from the state general  
10 fund on December 31 of each year.

11 Sec. 5. Section 425.23, subsection 3, paragraph a, Code  
12 1983, is amended to read as follows:

13 a. Any person who is eligible to file a claim for credit  
14 for property taxes due and who has a household income of five  
15 thousand dollars or less and who has a special assessment  
16 levied against the homestead may file a claim with the county  
17 treasurer that the claimant had a household income of five  
18 thousand dollars or less and that a special assessment is  
19 presently levied against the homestead. The department shall  
20 provide to the respective county treasurers such forms as  
21 are necessary for the administration of this subsection.  
22 The claim shall be filed not later than September 30 of each  
23 year. Upon the filing of the claim, no penalty or interest  
24 for late payment shall accrue against the amount of the special  
25 assessment due and payable. The claim filed by the claimant  
26 shall constitute a claim for credit of an amount equal to  
27 the actual amount due and payable upon the special assessment  
28 payable during the fiscal year against the homestead of the  
29 claimant or an amount equal to the annual payment of the  
30 special assessment levied against the homestead of the claimant  
31 and payable in annual installments through the period of years  
32 provided by the governing body of the city, whichever is less.  
33 The department of revenue shall, upon the filing of the claim  
34 with the department by the county treasurer, pay that amount  
35 of the special assessment during the current fiscal year to

1 the county treasurer. The county treasurer shall submit the  
2 claims to the director of revenue not later than October 15  
3 of each year. The director of revenue shall certify to the  
4 state comptroller the amount of reimbursement due each county  
5 for special assessment credits allowed under this subsection.  
6 The amount of reimbursement due each county shall be paid  
7 by the state comptroller on ~~November~~ October 15 of each year,  
8 drawn upon warrants payable to the respective county treasurer.  
9 There is appropriated annually from the general fund of the  
10 state to the department of revenue an amount sufficient to  
11 carry out the provisions of this subsection. The county  
12 treasurer shall credit any moneys received from the department  
13 against the amount of the special assessment due and payable  
14 on the homestead of the claimant.

15 Sec. 6. Section 425.7, Code 1983, is amended to read as  
16 follows:

17 426.7 WARRANTS DRAWN BY COMPTROLLER. After receiving  
18 from the ~~several~~ county auditors ~~of-the-state~~ the  
19 certifications provided for in section 426.6, and during the  
20 following fiscal year, the state comptroller shall draw  
21 warrants on the agricultural land credits fund created by  
22 ~~this-chapter~~ in section 426.1, payable to the county treasurers  
23 ~~of-the-several-counties-of-the-state~~ in the ~~total~~ amount  
24 certified by the county auditors of the respective counties  
25 and mail ~~said~~ the warrants to the county auditors ~~of-said~~  
26 ~~counties-in-two-equal-payments-on-or-before-September-15-and~~  
27 ~~March~~ on August 15 of each ~~fiscal~~ year, ~~provided-that-in-the~~  
28 ~~event~~ taking into consideration the relative budget and cash  
29 position of the state resources. However, if the agricultural  
30 land credits fund is insufficient to pay in full the total  
31 of the amounts certified to the state comptroller ~~on-the-first~~  
32 ~~of-June~~, the state comptroller shall prorate the fund to the  
33 ~~several~~ county treasurers and notify the ~~several~~ county  
34 auditors of the pro rata percentage on or before August 1.

35 Sec. 7. Section 426A.4, Code 1983, is amended to read

1 as follows:

2 426A.4 CERTIFICATION BY DIRECTOR OF REVENUE. Sums  
3 distributable from the military service tax credit fund shall  
4 be allocated ~~every-six-months~~ annually to the ~~several~~ counties  
5 of the state. On ~~March-25-and-September-25~~ September 15  
6 annually the director of revenue shall certify to the  
7 comptroller the total credits claimed by each county. Upon  
8 receipt of the certification from the director of revenue,  
9 the comptroller shall draw warrants to the treasurer of each  
10 county payable from the military service tax credit fund in  
11 the amount claimed, ~~provided that~~. However, if the amount  
12 of money in the fund is insufficient to pay the credits claimed  
13 in full, ~~then-in-that-event-they~~ the claims shall be paid  
14 on a pro rata basis. Payments shall be made to the treasurer  
15 of each county not later than ~~April-15-and-October~~ September  
16 15 of each year. The state comptroller shall transfer any  
17 funds in the military service tax credit fund on May 31 of  
18 each year not necessary for the payment of claims to the  
19 general fund.

20 Sec. 8. Section 427.17, subsection 4, Code 1983, is amended  
21 to read as follows:

22 4. The amounts due each taxing district shall be paid  
23 on warrants payable to the respective county treasurers in  
24 ~~two-equal-payments~~ by the state comptroller on ~~March-15-and~~  
25 ~~September~~ July 15 of each year ~~with-the-first-payment-starting~~  
26 ~~March-15,-1974~~. The county treasurer shall apportion the  
27 proceeds to the various taxing districts in the county.

28 Sec. 9. Section 427A.12, subsection 7, Code 1983, is  
29 amended to read as follows:

30 7. The amount due each taxing district shall be paid in  
31 the form of warrants payable to the respective county  
32 treasurers by the state comptroller ~~in-two-equal-payments~~  
33 on ~~September-15-and-March~~ May 15 of each fiscal year, taking  
34 into consideration the relative budget and cash position of  
35 the state resources. ~~The-first-payment-shall-be-made-on-March~~

1 ~~157-1974~~. The county treasurer shall pay the proceeds to the  
2 various taxing districts in the county.

3 Sec. 10. Section 442.26, unnumbered paragraph 2, Code  
4 1983, is amended by striking the unnumbered paragraph and  
5 inserting in lieu thereof the following:

6 All state aids paid under this chapter, unless otherwise  
7 stated, shall be paid in monthly installments beginning on  
8 September 15 of a budget year and ending on June 15 of the  
9 budget year and the installments shall be as nearly equal  
10 as possible as determined by the state comptroller, taking  
11 into consideration the relative budget and cash position of  
12 the state resources. However, the state aids paid to school  
13 districts under section 442.28 shall be paid in monthly  
14 installments beginning on December 15 and ending on June 15  
15 of a budget year and state aids paid to school districts under  
16 section 442.38 shall be paid in monthly installments beginning  
17 on February 15 and ending on June 15 of a budget year.

18 Sec. 11. Sections 2 and 7 of this Act take effect upon  
19 publication. All other sections of this Act take effect July  
20 1 following enactment.

21 Sec. 12. This Act, being deemed of immediate importance,  
22 takes effect from and after its publication in the Iowa City  
23 Press-Citizen, a newspaper published in Iowa City, Iowa, and  
24 in the Muscatine Journal, a newspaper published in Muscatine,  
25 Iowa.

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SF 540  
bk/slc/26b

SENATE FILE 540  
FISCAL NOTE

REQUESTED BY SENATOR SMALL

In compliance with a written request there is hereby submitted a Fiscal Note for Senate File 540, as amended by S-3821 pursuant to Joint Rule 17.

Senate File 540, as amended by S-3821, has the following provisions:

- Changes the payment schedule for certain tax credits to the respective county treasurers by the state comptroller ...

Tax Credit	Dates of Payment	
	Current Dates	Amended S.F. 540
Livestock Credit	09/15 & 03/15	07/15
Ag Land Credit	09/15 & 03/15	08/15
Military Credit	09/25 & 03/25	09/15
Special Assessment	11/15	10/15
Homestead Credit	09/15 & 03/15	11/15 & 03/15
Mobile Home Credit	04/15 & 10/15	12/15
Extraordinary Credit (Property Tax Only)	01/15	02/15
Personal Property Tax	09/15 & 03/15	05/15

- Provides for monthly rather than quarterly installments of school foundation aid payments beginning September 15 and ending June 15, subject to the cash position of the state; and

Provides that obligations of state funds may not be charged to an appropriation on the last day of a fiscal period except for projects commenced before that date, specifically repair projects and other contracts for services and capital expenditures for the purchase of land or new construction, which were committed and in progress prior to the end of the fiscal term.

FISCAL IMPACT: Changes in the payment of the specified tax credits would result in a smoother cash flow from the state treasury and additional interest income to the state. Some losses, although not necessarily on a one-to-one basis, would be incurred in investment moneys to local taxing authorities. The actual gain to the state would depend upon the interest rate earned. If that rate were similar to the current 6.5% rate for short term investment, approximately \$500,600 would be gained annually.

While the school districts would know when and at what levels the school foundation aid funds would be forthcoming, the fiscal effect of this provision is not available. The fiscal effect of changes in the obligations of state funds is not known, although the provision could result in some additional reversion funds.

(1716.X01, 83-511, CMG)

FILED:  
MAY 9, 1983

BY LEGISLATIVE FISCAL BUREAU  
DENNIS C. PROUTY, DIRECTOR

SENATE 6  
MAY 10, 1983

SENATE FILE 540  
FISCAL NOTE

REQUESTED BY SENATOR ALVIN MILLER

In compliance with a written request there is hereby submitted a Fiscal Note for Senate File 540 pursuant to Joint Rule 17.

Senate File 540 has the following provisions:

- Changes the payment schedule for certain tax credits to the respective county treasurers by the state comptroller...

Tax Credit	Dates of Payment	
	Current Law	Senate File 504
Mobile Home Credit	05/15 & 11/15	04/15
Ag Land Credit	09/15 & 03/15	05/15
Military Tax Credit	09/25 & 03/25	10/15
Livestock Tax Credit	09/15 & 03/15	10/15
Personal Property Tax	09/15 & 03/15	09/15

- Provides for monthly rather than quarterly installments of school foundation aid payments beginning September 15 and ending June 15, subject to the cash position of the state; and
- Provides that obligations of state funds may not be charged to an appropriation on the last day of a fiscal period except for projects commenced before that date, specifically repair projects and other contracts for services and capital expenditures for the purchase of land or new construction, which were committed and in progress prior to the end of the fiscal term.

FISCAL IMPACT: Changes in the payment of the specified tax credits would result in a smoother cash flow from the state treasury and additional interest income to the state. Some losses, although not necessarily on a one-to-one basis, would be incurred in investment moneys to local taxing authorities. The actual gain to the state would depend upon the interest rate earned. If that rate were similar to the current 6.5% rate for short term investment, approximately \$850,000 would be gained annually.

While the school districts would know when and at what levels the school foundation aid funds would be forthcoming, the fiscal effect of this provision is not available.

The fiscal effect of changes in the obligations of state funds is not known, although the provision could result in some additional reversion funds.

(1716S, 83-504, CMG)

RECEIVED BY THE SECRETARY OF THE SENATE, MAY 5, 1983

FILED:  
MAY 9, 1983

BY LEGISLATIVE FISCAL BUREAU  
DENNIS C. PROUTY, DIRECTOR

HOUSE AMENDMENT TO SENATE FILE 540

S-3900

1 Amend Senate File 540, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 3, line 7 by striking the figure "15"  
4 and inserting in lieu thereof the figure "20".

5 2. Page 4, line 16 by striking the figure "15"  
6 and inserting in lieu thereof the figure "30".

7 3. Page 5, line 18, by striking the word and  
8 figures "2 and 7" and inserting in lieu thereof the  
9 word and figures "1 and 10".

S-3900 FILED RECEIVED FROM THE HOUSE

MAY 11, 1983

SENATE CONCURRED 5/11 (p. 1654)

SENATE FILE 540

AN ACT

RELATING TO STATE PAYMENTS BY PROVIDING FOR PAYMENTS IN EACH FISCAL YEAR OF HOMESTEAD TAX CREDITS, EXTRAORDINARY TAX CREDITS, MOBILE HOME TAX CREDITS, AGRICULTURAL LAND TAX CREDITS, LIVESTOCK TAX CREDITS, MILITARY TAX CREDITS, AND PERSONAL PROPERTY TAX CREDITS TO THE RESPECTIVE COUNTY TREASURERS BY THE STATE COMPTROLLER, BY PROVIDING FOR OBLIGATION OF STATE FUNDS FOR GOODS AND SERVICES DELIVERED ONLY DURING THE FISCAL YEAR WITH CERTAIN EXCEPTIONS, AND BY PROVIDING FOR MONTHLY PAYMENTS OF FUNDS TO SCHOOL DISTRICTS UNDER CHAPTER 442.

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

Section 1. Section 8.33, Code 1983, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. No payment of an obligation for goods and services shall be charged to an appropriation subsequent to the last day of the fiscal term for which the appropriation is made unless such goods or services are received on or before the last day of the fiscal term, except that repair projects and other contracts for services and capital expenditures for the purchase of land or the erection of buildings or new construction, which were committed and in progress prior to the end of the fiscal term are excluded from this provision.

Sec. 2. Section 135D.22, unnumbered paragraph 4, Code 1983, is amended to read as follows:

The amounts due each county shall be paid ~~in two equal payments~~ by the state comptroller on ~~May~~ December 15 and November-15 of each year, drawn upon warrants payable to the respective county treasurers. The county treasurer in each county shall apportion the payment in accordance with section 135D.25.

Sec. 3. Section 425.1, subsection 3, Code 1983, is amended by striking the subsection and inserting in lieu thereof the following:

3. The amount due each county shall be paid by the state comptroller upon requisition of the director of revenue in two payments on November 15 and March 15 of each fiscal year, drawn upon warrants payable to the respective county treasurers. The two payments shall be as nearly equal as possible.

Sec. 4. Section 425.19, Code 1983, is amended to read as follows:

425.19 CLAIM AND CREDIT OR REIMBURSEMENT. Subject to the limitations provided in this division, a claimant may annually claim a credit for property taxes due during the fiscal year next following the base year or claim a reimbursement for rent constituting property taxes paid in the base year. The amount of the credit for property taxes due for a homestead shall be paid ~~within one hundred eighty days after receipt of the claim~~ on February 15 of each year by the director to the county treasurer who shall credit the money received against the amount of the property taxes due and payable on the homestead of the claimant and the amount of the reimbursement for rent constituting property taxes paid shall be paid to the claimant from the state general fund on December 31 of each year.

Sec. 5. Section 425.23, subsection 3, paragraph a, Code 1983, is amended to read as follows:

a. Any person who is eligible to file a claim for credit for property taxes due and who has a household income of five thousand dollars or less and who has a special assessment levied against the homestead may file a claim with the county treasurer that the claimant had a household income of five thousand dollars or less and that a special assessment is presently levied against the homestead. The department shall provide to the respective county treasurers such forms as

are necessary for the administration of this subsection. The claim shall be filed not later than September 30 of each year. Upon the filing of the claim, no penalty or interest for late payment shall accrue against the amount of the special assessment due and payable. The claim filed by the claimant shall constitute a claim for credit of an amount equal to the actual amount due and payable upon the special assessment payable during the fiscal year against the homestead of the claimant or an amount equal to the annual payment of the special assessment levied against the homestead of the claimant and payable in annual installments through the period of years provided by the governing body of the city, whichever is less. The department of revenue shall, upon the filing of the claim with the department by the county treasurer, pay that amount of the special assessment during the current fiscal year to the county treasurer. The county treasurer shall submit the claims to the director of revenue not later than October 15 of each year. The director of revenue shall certify to the state comptroller the amount of reimbursement due each county for special assessment credits allowed under this subsection. The amount of reimbursement due each county shall be paid by the state comptroller on ~~November~~ October 15 20 of each year, drawn upon warrants payable to the respective county treasurer. There is appropriated annually from the general fund of the state to the department of revenue an amount sufficient to carry out the provisions of this subsection. The county treasurer shall credit any moneys received from the department against the amount of the special assessment due and payable on the homestead of the claimant.

Sec. 6. Section 426.7, Code 1983, is amended to read as follows:

426.7 WARRANTS DRAWN BY COMPTROLLER. After receiving from the ~~several~~ county auditors ~~of the state~~ the certifications provided for in section 426.6, and during the following fiscal year, the state comptroller shall draw

warrants on the agricultural land credits fund created by ~~this chapter in section 426.1~~, payable to the county treasurers ~~of the several counties of the state~~ in the total amount certified by the county auditors of the respective counties and mail ~~said~~ the warrants to the county auditors ~~of said counties in two equal payments on or before September 15 and March~~ on August 15 of each fiscal year, ~~provided that in the event taking into consideration the relative budget and cash position of the state resources. However, if~~ the agricultural land credits fund is insufficient to pay in full the total of the amounts certified to the state comptroller ~~on the first of June~~, the state comptroller shall prorate the fund to the ~~several~~ county treasurers and notify the ~~several~~ county auditors of the pro rata percentage on or before August 1.

Sec. 7. Section 426A.4, Code 1983, is amended to read as follows:

426A.4 CERTIFICATION BY DIRECTOR OF REVENUE. Sums distributable from the military service tax credit fund shall be allocated ~~every six months~~ annually to the ~~several~~ counties of the state. On ~~March 25 and September 25~~ September 15 annually the director of revenue shall certify to the comptroller the total credits claimed by each county. Upon receipt of the certification from the director of revenue, the comptroller shall draw warrants to the treasurer of each county payable from the military service tax credit fund in the amount claimed, ~~provided that. However,~~ if the amount of money in the fund is insufficient to pay the credits claimed in full, ~~then in that event they the~~ claims shall be paid on a pro rata basis. Payments shall be made to the treasurer of each county not later than ~~April 15 and October~~ September 15 30 of each year. The state comptroller shall transfer any funds in the military service tax credit fund on May 31 of each year not necessary for the payment of claims to the general fund.

Sec. 8. Section 427.17, subsection 4, Code 1983, is amended to read as follows:

4. The amounts due each taxing district shall be paid on warrants payable to the respective county treasurers ~~in two equal payments~~ by the state comptroller on ~~March 15 and September~~ July 15 of each year ~~with the first payment starting March 15, 1974~~. The county treasurer shall apportion the proceeds to the various taxing districts in the county.

Sec. 9. Section 427A.12, subsection 7, Code 1983, is amended to read as follows:

7. The amount due each taxing district shall be paid in the form of warrants payable to the respective county treasurers by the state comptroller ~~in two equal payments on September 15 and March~~ May 15 of each fiscal year, taking into consideration the relative budget and cash position of the state resources. ~~The first payment shall be made on March 15, 1974~~. The county treasurer shall pay the proceeds to the various taxing districts in the county.

Sec. 10. Section 442.26, unnumbered paragraph 2, Code 1983, is amended by striking the unnumbered paragraph and inserting in lieu thereof the following:

All state aids paid under this chapter, unless otherwise stated, shall be paid in monthly installments beginning on September 15 of a budget year and ending on June 15 of the budget year and the installments shall be as nearly equal as possible as determined by the state comptroller, taking into consideration the relative budget and cash position of the state resources. However, the state aids paid to school districts under section 442.28 shall be paid in monthly installments beginning on December 15 and ending on June 15 of a budget year and state aids paid to school districts under section 442.38 shall be paid in monthly installments beginning on February 15 and ending on June 15 of a budget year.

Sec. 11. Sections 1 and 10 of this Act take effect upon publication. All other sections of this Act take effect July 1 following enactment.

Sec. 12. This Act, being deemed of immediate importance, takes effect from and after its publication in the Iowa City Press-Citizen, a newspaper published in Iowa City, Iowa, and in the Muscatine Journal, a newspaper published in Muscatine, Iowa.

\_\_\_\_\_  
ROBERT T. ANDERSON  
President of the Senate

\_\_\_\_\_  
DONALD D. AVENSON  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 540, Seventieth General Assembly.

\_\_\_\_\_  
K. MARIE THAYER  
Secretary of the Senate

Approved \_\_\_\_\_, 1983

\_\_\_\_\_  
TERRY E. BRANSTAD  
Governor