

See Local Book 4/2/85 Without Recommendation 4/11 (p. 1321)

House File 724

LOCAL GOVERNMENT: Wells, Chair; Waldstein and C. Miller

HOUSE FILE 724

House File 724

Re LOCAL GOVERNMENT: Wells, Chair; Waldstein and C. Miller

BY COMMITTEE ON LOCAL GOVERNMENT

Amend (5415) & Do Pass 3/20/86 (p. 812)

(Formerly House Study Bill 51)

Passed House, Date 4-1-85 (p. 1212) Passed Senate, Date 4-2-86 (p. 972)

Vote: Ayes 81 Nays 8 Vote: Ayes 43 Nays 1

Approved April 28, 1986 (p. 1855)

Repassed House 4-10-86 (p. 1331)
91-5

A BILL FOR

1 An Act requiring a separate award of real estate taxes,
2 personal property taxes and special assessments to the
3 county treasurer by the compensation commission as damages
4 in condemnation.

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

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HF 724

1 Section 1. Section 472.14, Code 1985, is amended by adding
2 the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. The commission shall further
4 divide the damages to make a separate award to the county
5 treasurer of the real estate taxes, personal property taxes
6 and special assessments on the property as follows:

7 a. All taxes and assessments which are currently due and
8 payable.

9 b. All projected taxes and assessments arising from the
10 valuation date of the year in which the condemnation takes
11 place and prior years even though such taxes and assessments
12 are not currently due and payable.

13 Upon the receipt of the award, the county treasurer shall hold
14 those funds and pay the taxes and assessments from them as
15 they become due. Upon payment of all of the taxes and
16 assessments awarded, the county treasurer shall deposit any
17 excess award with the county sheriff for payment to the
18 condemnee or payment as otherwise directed by the commission.

19 EXPLANATION

20 This bill requires the compensation commission in its
21 condemnation award to make a special provision for damages as
22 to the real estate taxes, personal property taxes and special
23 assessments on the condemned property. It provides for the
24 payment of taxes and assessments which are due and payable and
25 establishes an escrow account with the county treasurer for
26 the payment of those taxes and assessments which arose while
27 the condemnee had possession but did not become due and
28 payable until after the condemnor had taken possession. If
29 the award exceeds the taxes and assessments that become due
30 and payable, the excess award is paid to the condemnee.

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SENATE AMENDMENT TO HOUSE FILE 724

H-5701

Amend House File 724 as passed by the House as follows:

1. By striking all after the enacting clause and inserting the following:

"Section 1. Section 427.2, Code 1985, is amended to read as follows:

427.2 ~~ROADS-AND-DRAINAGE-RIGHTS-OF-WAY~~ TAXABLE PROPERTY ACQUIRED THROUGH EMINENT DOMAIN.

Real estate occupied as a public road, and rights of way for established public levees and rights of way for established, open, public drainage improvements shall not be taxed.

When land or rights in land are acquired in connection with the ~~establishment or maintenance or improvement of a public road~~ or for public use or public purposes, the acquiring authority shall assist in the collection of property taxes and special assessments. However, assistance in the collection of the property taxes and special assessments does not require the payment of property taxes and special assessments on the property acquired which exceed the amount of just compensation offered as required by section 472.45 for the acquisition of the property.

The property owner shall pay all property taxes and special assessments which are due and payable when the property owner surrenders possession of the property acquired and also those which become due and payable for the fiscal year the property is acquired in an amount equal to one-twelfth of the taxes and assessments due and payable on the property acquired for the preceding fiscal year multiplied by the number of months in the fiscal year in which the property was acquired which elapsed prior to the month in which the property owner surrenders possession, and including that month if the surrender of possession occurs after the fifteenth day of a month. For purposes of computing the payments, the property owner has surrendered possession of property acquired by eminent domain proceedings when the acquiring authority has the right to obtain possession of the acquired property ~~by authority of section 472-26~~ as authorized by law. When part but not all of the property is acquired for public use or public road purposes, taxing authorities may collect property taxes and special assessments which the property owner is obligated to pay, in accordance with chapter 446, from that part of the property which is not acquired. The county treasurer shall collect and accept the payment received on property acquired for road public use or public purposes as full and final payment of all

1 property tax and special assessments on the property
2 and apportion the payment on the basis of the levy in
3 effect in the fiscal year in which the property is
4 acquired.

5 For that portion of the prorated year for which the
6 acquiring authority has possession of the property or
7 part of the property acquired in connection with the
8 ~~establishment-or-improvement-or-maintenance-of-a~~
9 public-road or for public use or public purposes, all
10 taxes and special assessments shall be canceled.

11 Upon sale of the acquired property by the acquiring
12 authority to a new owner, the new owner shall pay all
13 special assessments and property taxes which become
14 due and payable or would have become due and payable
15 but for the acquisition by the acquiring authority for
16 the fiscal year the property is acquired by the new
17 owner in an amount equal to one-twelfth of such taxes
18 and assessments multiplied by the number of months in
19 the fiscal year in which the new owner acquired the
20 property which occurred after the month in which the
21 new owner acquired the property. Thereafter, special
22 assessments or installments of them which would have
23 become due and payable after the date of the
24 acquisition of the property by the new owner but for
25 the acquisition of the property by the acquiring
26 authority and this section, shall be reinstated by
27 the county treasurer and shall be collectible as
28 provided by law."

29 2. Title page, by striking lines 1 through 4 and
30 inserting the following: "An Act relating to the
31 payment of property taxes and special assessments on
32 property acquired by condemnation for public use or
33 public purposes."

S-5415 Page 2

property tax and special assessments on the property and apportion the payment on the basis of the levy in effect in the fiscal year in which the property is acquired.

For that portion of the prorated year for which the acquiring authority has possession of the property or part of the property acquired in connection with the ~~establishment-or-improvement-or-maintenance-of-a public-road~~ or for public use or public purposes, all taxes and special assessments shall be canceled.

Upon sale of the acquired property by the acquiring authority to a new owner, the new owner shall pay all special assessments and property taxes which become due and payable or would have become due and payable but for the acquisition by the acquiring authority for the fiscal year the property is acquired by the new owner in an amount equal to one-twelfth of such taxes and assessments multiplied by the number of months in the fiscal year in which the new owner acquired the property which occurred after the month in which the new owner acquired the property. Thereafter, special assessments or installments of them which would have become due and payable after the date of the acquisition of the property by the new owner but for the acquisition of the property by the acquiring authority and this section, shall be reinstated by the county treasurer and shall be collectible as provided by law."

2. Title page, by striking lines 1 through 4 and inserting the following: "An Act relating to the payment of property taxes and special assessments on property acquired by condemnation for public use or public purposes."

S-5415 Filed March 20, 1986

BY COMM ON LOCAL GOV'T, A. MILLER, CHAIR

Adopted 4/2 (p 972)

HOUSE FILE 724

S-5415

1 Amend House File 724 as passed by the House as
2 follows:
3 1. By striking all after the enacting clause and
4 inserting the following:
5 "Section 1. Section 427.2, Code 1985, is amended
6 to read as follows:
7 427.2 ~~ROADS-AND-DRAINAGE-RIGHTS-OF-WAY~~ TAXABLE
8 PROPERTY ACQUIRED THROUGH EMINENT DOMAIN.
9 Real estate occupied as a public road, and rights
10 of way for established public levees and rights of way
11 for established, open, public drainage improvements
12 shall not be taxed.
13 When land or rights in land are acquired in
14 connection with ~~the-establishment-or-maintenance-or~~
15 ~~improvement-of-a-public-road~~ or for public use or
16 public purposes, the acquiring authority shall assist
17 in the collection of property taxes and special
18 assessments. However, assistance in the collection of
19 the property taxes and special assessments does not
20 require the payment of property taxes and special
21 assessments on the property acquired which exceed the
22 amount of just compensation offered as required by
23 section 472.45 for the acquisition of the property.
24 The property owner shall pay all property taxes and
25 special assessments which are due and payable when the
26 property owner surrenders possession of the property
27 acquired and also those which become due and payable
28 for the fiscal year the property is acquired in an
29 amount equal to one-twelfth of the taxes and
30 assessments due and payable on the property acquired
31 for the preceding fiscal year multiplied by the number
32 of months in the fiscal year in which the property was
33 acquired which elapsed prior to the month in which the
34 property owner surrenders possession, and including
35 that month if the surrender of possession occurs after
36 the fifteenth day of a month. For purposes of
37 computing the payments, the property owner has
38 surrendered possession of property acquired by eminent
39 domain proceedings when the acquiring authority has
40 the right to obtain possession of the acquired
41 ~~property by-authority-of-section-472-26 as authorized~~
42 by law. When part but not all of the property is
43 acquired for public use or public road purposes,
44 taxing authorities may collect property taxes and
45 special assessments which the property owner is
46 obligated to pay, in accordance with chapter 446, from
47 that part of the property which is not acquired. The
48 county treasurer shall collect and accept the payment
49 received on property acquired for road public use or
50 public purposes as full and final payment of all

USB 51

Study Bill 51

LOCAL GOVERNMENT

Local Government: Black, Chair; Buhr and Torrence.

*From
HF 724*

HOUSE FILE 724

BY (PROPOSED COMMITTEE ON LOCAL GOVERNMENT BILL)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act requiring a separate award of real estate taxes,
2 personal property taxes and special assessments to the
3 county treasurer by the compensation commission as damages
4 in condemnation.

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

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8 payable.

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10 valuation date of the year in which the condemnation takes
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14 those funds and pay the taxes and assessments from them as
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18 condemnee or payment as otherwise directed by the commission.

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20 This bill requires the compensation commission in its
21 condemnation award to make a special provision for damages as
22 to the real estate taxes, personal property taxes and special
23 assessments on the condemned property. It provides for the
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25 establishes an escrow account with the county treasurer for
26 the payment of those taxes and assessments which arose while
27 the condemnee had possession but did not become due and
28 payable until after the condemnor had taken possession. If
29 the award exceeds the taxes and assessments that become due
30 and payable, the excess award is paid to the condemnee.

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HOUSE FILE 724

AN ACT

RELATING TO THE PAYMENT OF PROPERTY TAXES AND SPECIAL ASSESSMENTS ON PROPERTY ACQUIRED BY CONDEMNATION FOR PUBLIC USE OR PUBLIC PURPOSES.

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

Section 1. Section 427.2, Code 1985, is amended to read as follows:

427.2 ROADS-AND-DRAINAGE-RIGHTS-OF-WAY TAXABLE PROPERTY ACQUIRED THROUGH EMINENT DOMAIN.

Real estate occupied as a public road, and rights of way for established public levees and rights of way for established, open, public drainage improvements shall not be taxed.

When land or rights in land are acquired in connection with the establishment or maintenance or improvement of a public road or for public use or public purposes, the acquiring authority shall assist in the collection of property taxes and special assessments. However, assistance in the collection of the property taxes and special assessments does not require the payment of property taxes and special assessments on the property acquired which exceed the amount of just compensation offered as required by section 472.45 for the acquisition of the property.

The property owner shall pay all property taxes and special assessments which are due and payable when the property owner surrenders possession of the property acquired and also those which become due and payable for the fiscal year the property is acquired in an amount equal to one-twelfth of the taxes and assessments due and payable on the property acquired for the preceding fiscal year multiplied by the number of months in the fiscal year in which the property was acquired which

elapsed prior to the month in which the property owner surrenders possession, and including that month if the surrender of possession occurs after the fifteenth day of a month. For purposes of computing the payments, the property owner has surrendered possession of property acquired by eminent domain proceedings when the acquiring authority has the right to obtain possession of the acquired property by authority of section 472.26 as authorized by law. When part but not all of the property is acquired for public use or public road purposes, taxing authorities may collect property taxes and special assessments which the property owner is obligated to pay, in accordance with chapter 446, from that part of the property which is not acquired. The county treasurer shall collect and accept the payment received on property acquired for road public use or public purposes as full and final payment of all property tax and special assessments on the property and apportion the payment on the basis of the levy in effect in the fiscal year in which the property is acquired.

For that portion of the prorated year for which the acquiring authority has possession of the property or part of the property acquired in connection with the establishment or improvement or maintenance of a public road or for public use or public purposes, all taxes and special assessments shall be canceled.

Upon sale of the acquired property by the acquiring authority to a new owner, the new owner shall pay all special assessments and property taxes which become due and payable or would have become due and payable but for the acquisition by the acquiring authority for the fiscal year the property is acquired by the new owner in an amount equal to one-twelfth of such taxes and assessments multiplied by the number of months in the fiscal year in which the new owner acquired the property which occurred after the month in which the new owner acquired the property. Thereafter, special assessments or

installments of them which would have become due and payable after the date of the acquisition of the property by the new owner but for the acquisition of the property by the acquiring authority and this section, shall be reinstated by the county treasurer and shall be collectible as provided by law.

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 724, Seventy-first General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved April 28, 1986

TERRY E. BRANSTAD
Governor