

APR 18 1989

HOUSE FILE 765

BY COMMITTEE ON WAYS and MEANS

WAYS & MEANS CALENDAR

*Gen. ways & means,  
DO pass 5-4-89 (p1911)*

(SUCCESSOR TO HF 621)

Passed House, Date 4-21-89 (p1781) Passed Senate, Date 5-4-89 (p1933)

Vote: Ayes 91 Nays 0 Vote: Ayes 50 Nays 0

Approved May 31, 1989

A BILL FOR

1 An Act exempting certain deeds transferring real estate from  
2 declarations of value and the tax on transfers.

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

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HF 765

1 Section 1. Section 428A.1, unnumbered paragraph 2, Code  
2 1989, is amended to read as follows:

3 When each deed, instrument, or writing by which any real  
4 property in this state is granted, assigned, transferred, or  
5 otherwise conveyed is presented for recording to the county  
6 recorder, a declaration of value signed by at least one of the  
7 sellers or one of the buyers or their agents shall be  
8 submitted to the county recorder. A declaration of value is  
9 not required for those instruments described in section  
10 428A.2, subsections 2 to 5, 7 to 13, and 16 to ~~19~~ 20, or  
11 described in section 428A.2, subsection 6, except in the case  
12 of a federal agency or instrumentality, or if a transfer is  
13 the result of acquisition of lands, whether by contract or  
14 condemnation, for public purposes through an exercise of the  
15 power of eminent domain. The declaration of value shall state  
16 the full consideration paid for the real property transferred.  
17 If agricultural land, as defined in section 172C.1, is  
18 purchased by a corporation, limited partnership, trust, alien  
19 or nonresident alien, the declaration of value shall include  
20 the name and address of the buyer, the name and address of the  
21 seller, a legal description of the agricultural land, and  
22 identify the buyer as a corporation, limited partnership,  
23 trust, alien, or nonresident alien. The county recorder shall  
24 not record the declaration of value, but shall enter on the  
25 declaration of value information the director of revenue and  
26 finance requires for the production of the sales/assessment  
27 ratio study and transmit all declarations of value to the city  
28 or county assessor in whose jurisdiction the property is  
29 located. The city or county assessor shall enter on the  
30 declaration of value the information the director of revenue  
31 and finance requires for the production of the  
32 sales/assessment ratio study and transmit one copy of each  
33 declaration of value to the director of revenue and finance,  
34 at times as directed by the director of revenue and finance.  
35 The assessor shall retain one copy of each declaration of

1 value for three years from December 31 of the year in which  
2 the transfer of realty for which the declaration was filed  
3 took place. The director of revenue and finance shall, upon  
4 receipt of the information required to be filed under this  
5 chapter by the city or county assessor, send to the office of  
6 the secretary of state that part of the declaration of value  
7 which identifies a corporation, limited partnership, trust,  
8 alien, or nonresident alien as a purchaser of agricultural  
9 land as defined in section 172C.1.

10 Sec. 2. Section 428A.2, Code 1989, is amended by adding  
11 the following new subsection:

12 NEW SUBSECTION. 20. Deeds transferring distributions of  
13 assets to heirs at law or devisees under a will.

14 EXPLANATION

15 This bill exempts deeds transferring distributions of  
16 assets to heirs at law or devisees under a will from the real  
17 estate transfer tax and the declaration of value required of  
18 most real estate transfers.

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HOUSE FILE 765

AN ACT

EXEMPTING CERTAIN DEEDS TRANSFERRING REAL ESTATE FROM  
DECLARATIONS OF VALUE AND THE TAX ON TRANSFERS.

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

Section 1. Section 428A.1, unnumbered paragraph 2, Code 1989, is amended to read as follows:

When each deed, instrument, or writing by which any real property in this state is granted, assigned, transferred, or otherwise conveyed is presented for recording to the county recorder, a declaration of value signed by at least one of the sellers or one of the buyers or their agents shall be submitted to the county recorder. A declaration of value is not required for those instruments described in section 428A.2, subsections 2 to 5, 7 to 13, and 16 to ~~19~~ 20, or described in section 428A.2, subsection 6, except in the case of a federal agency or instrumentality, or if a transfer is

the result of acquisition of lands, whether by contract or condemnation, for public purposes through an exercise of the power of eminent domain. The declaration of value shall state the full consideration paid for the real property transferred. If agricultural land, as defined in section 172C.1, is purchased by a corporation, limited partnership, trust, alien or nonresident alien, the declaration of value shall include the name and address of the buyer, the name and address of the seller, a legal description of the agricultural land, and identify the buyer as a corporation, limited partnership, trust, alien, or nonresident alien. The county recorder shall not record the declaration of value, but shall enter on the declaration of value information the director of revenue and finance requires for the production of the sales/assessment ratio study and transmit all declarations of value to the city or county assessor in whose jurisdiction the property is located. The city or county assessor shall enter on the declaration of value the information the director of revenue and finance requires for the production of the sales/assessment ratio study and transmit one copy of each declaration of value to the director of revenue and finance, at times as directed by the director of revenue and finance. The assessor shall retain one copy of each declaration of value for three years from December 31 of the year in which the transfer of realty for which the declaration was filed took place. The director of revenue and finance shall, upon receipt of the information required to be filed under this chapter by the city or county assessor, send to the office of the secretary of state that part of the declaration of value which identifies a corporation, limited partnership, trust, alien, or nonresident alien as a purchaser of agricultural land as defined in section 172C.1.

Sec. 2. Section 428A.2, Code 1989, is amended by adding the following new subsection:

NEW SUBSECTION. 20. Deeds transferring distributions of assets to heirs at law or devisees under a will.

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DONALD D. AVENSON  
Speaker of the House

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JO ANN ZIMMERMAN  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 765, Seventy-third General Assembly.

Approved May 31, 1989

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JOSEPH O'HERN  
Chief Clerk of the House

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TERRY E. BRANSTAD  
Governor