

MAR 6 1996  
WAYS AND MEANS

HOUSE FILE 2470  
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HSB 641)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the financial procedures of counties, cities,  
2 and drainage districts, by amending the powers and duties of  
3 county treasurers, by eliminating the filing of late claims  
4 for property credits, by striking personal property tax  
5 credits of military veterans, by striking outdated property  
6 tax limitations, by amending tax sale procedures, by providing  
7 for properly related matters, and by providing an  
8 applicability date and effective dates.

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

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HF 2470

1 Section 1. Section 331.508, subsection 6, Code Supplement  
2 1995, is amended to read as follows:

3 6. ~~Fee-book~~ A record of fees within the county system as  
4 provided in section 331.902.

5 Sec. 2. Section 331.553, Code Supplement 1995, is amended  
6 by adding the following new subsections:

7 NEW SUBSECTION. 5. Require that payments be made by cash,  
8 check, or other form of legal tender or payment accepted by  
9 the federal internal revenue service.

10 NEW SUBSECTION. 6. May accept electronic transfers of  
11 funds in payment of moneys due to the county, including but  
12 not limited to, state credits, tax payments, and redemptions.

13 NEW SUBSECTION. 7. Require a payor or an agent of a payor  
14 who makes an aggregate payment of one hundred thousand dollars  
15 or more to make payment by electronic transfer of the funds.

16 Sec. 3. Section 331.607, subsection 3, Code 1995, is  
17 amended to read as follows:

18 3. A ~~fee-book~~ record of fees within the county system as  
19 provided in section 331.902.

20 Sec. 4. Section 331.655, subsection 3, Code 1995, is  
21 amended to read as follows:

22 3. The sheriff shall keep an accurate record of the fees  
23 collected ~~in-a-fee-book~~ within the county system, make a  
24 quarterly report of the fees collected to the board, and pay  
25 the fees belonging to the county into the county treasury as  
26 provided in section 331.902.

27 Sec. 5. Section 331.902, subsections 2 and 3, Code 1995,  
28 are amended to read as follows:

29 2. Each elective officer specified in subsection 1 shall  
30 keep a ~~fee-book~~ record of fees within the county system as a  
31 part of the permanent county records of the office. The ~~book~~  
32 record shall ~~be ruled-in-appropriate-columns-for~~ include the  
33 date, kind of service, for whom rendered, and the amount of  
34 fee or charge collected and, when the fee is for recording an  
35 instrument, the names of the parties to the instrument. The

1 required information shall be recorded ~~in the fee book~~ when  
2 the service is rendered.

3 3. Each elective officer specified in subsection 1 shall  
4 make a quarterly report to the board showing, by type, the  
5 fees collected during the preceding quarter. The officer  
6 shall pay at least quarterly to the county treasury the fees  
7 and charges collected, receive duplicate receipts for the  
8 payment, and file one of the receipts in the office of the  
9 auditor, except for the county auditor's transfer fees, which  
10 shall be paid directly to the county treasurer by the county  
11 recorder. The officer shall note in the ~~officer's fee book~~  
12 county system the date and amount of each payment into the  
13 county treasury. This subsection does not apply to the county  
14 treasurer if the county treasurer credits the fees daily to  
15 the county treasury and reports the receipts on the monthly  
16 report to the auditor and the board of supervisors.

17 Sec. 6. Section 384.63, unnumbered paragraphs 2 and 4,  
18 Code 1995, are amended to read as follows:

19 The council shall, by resolution, provide that the  
20 deficiencies for the lots specially benefited by a public  
21 improvement shall be certified to the county treasurer, who  
22 shall record them in ~~a separate book entitled "Special~~  
23 ~~Assessment Deficiencies"~~ the county system, and to the  
24 appropriate city official charged with the responsibility of  
25 issuing building permits, who shall notify the council when a  
26 private improvement is subsequently constructed on any lot  
27 subject to a deficiency. Certification to the county  
28 treasurer shall include a legal description of each lot. The  
29 period of amortization for a public improvement for which  
30 there are deficiencies shall commence with the adoption of the  
31 resolution of necessity and extend for the same period for  
32 which installments of assessments for the project are made  
33 payable. Deficiencies may be assessed only during the period  
34 of amortization, which shall also be certified to the county  
35 treasurer and the city official charged with the

1 responsibility of issuing building permits. Certification to  
2 the county treasurer shall include a legal description of each  
3 lot.

4 An owner may appeal from the amount of the assessment  
5 within thirty days of the date notice is mailed. County  
6 officials shall collect a deficiency assessment, commencing in  
7 the year following the assessment, in the manner provided for  
8 the collection of other special assessments. Upon collection,  
9 the county treasurer shall make the appropriate credit entries  
10 in the "~~Special-Assessment-Deficiencies~~"-book county system,  
11 and shall credit the amounts collected as provided for other  
12 special assessments on the same public improvement, or to the  
13 city, to the extent that the deficiency has been previously  
14 paid from other city funds.

15 Sec. 7. Section 425.2, unnumbered paragraphs 2 and 6, Code  
16 1995, are amended to read as follows:

17 Upon the filing and allowance of the claim, the claim shall  
18 be allowed on that homestead for successive years without  
19 further filing as long as the property is legally or equitably  
20 owned and used as a homestead by that person or that person's  
21 spouse on July 1 of each of those successive years, and the  
22 owner of the property being claimed as a homestead declares  
23 residency in Iowa for purposes of income taxation, and the  
24 property is occupied by that person or that person's spouse  
25 for at least six months in each of those calendar years in  
26 which the fiscal year begins. When the property is sold or  
27 transferred, the buyer or transferee who wishes to qualify  
28 shall refile for the credit. However, when the property is  
29 transferred as part of a distribution made pursuant to chapter  
30 598, the transferee who is the spouse retaining ownership of  
31 the property is not required to refile for the credit.  
32 Property divided pursuant to chapter 598 shall not be modified  
33 following the division of the property. An owner who ceases  
34 to use a property for a homestead or intends not to use it as  
35 a homestead for at least six months in a calendar year shall

1 provide written notice to the assessor by July 1 following the  
2 date on which the use is changed. ~~If the written notice is~~  
3 ~~not provided to the assessor by the appropriate July 1, the~~  
4 ~~owner forfeits the right to file a belated claim on another~~  
5 ~~homestead for the year the notice should have been given.~~ A  
6 person who sells or transfers a homestead or the personal  
7 representative of a deceased person who had a homestead at the  
8 time of death, shall provide written notice to the assessor  
9 that the property is no longer the homestead of the former  
10 claimant.

11 ~~The failure of a person to file a claim under this section~~  
12 ~~on or before July 1 of the year for which the person is first~~  
13 ~~claiming the credit or to have the evidence of ownership~~  
14 ~~recorded in the office of the county recorder does not~~  
15 ~~disqualify the claim if the person claiming the credit or~~  
16 ~~through whom the credit is claimed is otherwise qualified.~~  
17 ~~The belated claim shall be filed with the appropriate assessor~~  
18 ~~on or before December 31 of the following calendar year and,~~  
19 ~~if approved by the board of supervisors, the county treasurer~~  
20 ~~shall submit the belated claim to the director of revenue and~~  
21 ~~finance who shall send payment to the claimant.--The payment~~  
22 ~~shall be made from funds appropriated to the homestead credit~~  
23 ~~fund.~~

24 Sec. 8. Section 425.20, unnumbered paragraph 2, Code 1995,  
25 is amended to read as follows:

26 A claim for credit for property taxes due shall not be paid  
27 or allowed unless the claim is filed with the county treasurer  
28 between January 1 and June 1, both dates inclusive,  
29 immediately preceding the fiscal year during which the  
30 property taxes are due. However, in case of sickness,  
31 absence, or other disability of the claimant, or if in the  
32 judgment of the county treasurer good cause exists, the county  
33 treasurer may extend the time for filing a claim for credit  
34 through September 30 of the same calendar year. The county  
35 treasurer shall ~~submit the claim~~ certify to the director of

1 revenue and finance on or before ~~August~~ May 1 of each year the  
2 total amount of dollars due for claims allowed.

3 Sec. 9. Section 425.20, unnumbered paragraph 3, Code 1995,  
4 is amended by striking the unnumbered paragraph.

5 Sec. 10. Section 425.23, subsection 3, paragraph a, Code  
6 1995, is amended to read as follows:

7 a. A person who is eligible to file a claim for credit for  
8 property taxes due and who has a household income of six  
9 thousand dollars or less and who has an unpaid special  
10 assessment levied against the homestead may file a claim for  
11 special assessment credit with the county treasurer ~~that-the~~  
12 ~~claimant-had-a-household-income-of-six-thousand-dollars-or~~  
13 ~~less-and-that-an-unpaid-special-assessment-is-presently-levied~~  
14 ~~against-the-homestead.~~ The department shall provide to the  
15 respective treasurers the forms necessary for the  
16 administration of this subsection. The claim shall be filed  
17 not later than September 30 of each year. Upon the filing of  
18 the claim, interest for late payment shall not accrue against  
19 the amount of the unpaid special assessment due and payable.  
20 The claim filed by the claimant constitutes a claim for credit  
21 of an amount equal to the actual amount due upon the unpaid  
22 special assessment, plus interest, payable during the fiscal  
23 year for which the claim is filed against the homestead of the  
24 claimant. However, where the claimant is an individual  
25 described in section 425.17, subsection 2, paragraph "b", and  
26 the tentative credit is determined according to the schedule  
27 in section 425.23, subsection 1, paragraph "b", subparagraph  
28 (2), the claim filed constitutes a claim for credit of an  
29 amount equal to one-half of the actual amount due and payable  
30 during the fiscal year. ~~The-department-of-revenue-and-finance~~  
31 ~~shall,-upon-the-filing-of-the-claim-with-the-department-by-the~~  
32 ~~treasurer,-pay-that-amount-of-the-unpaid-special-assessment~~  
33 ~~during-the-current-fiscal-year-to-the-treasurer.~~ The  
34 treasurer shall ~~submit-the-claims~~ certify to the director of  
35 revenue and finance not later than October 15 of each year the

1 total amount of dollars due for the claims allowed. The  
2 ~~director of revenue and finance shall certify the amount of~~  
3 ~~reimbursement due each county for unpaid special assessment~~  
4 ~~credits allowed under this subsection.~~ The amount of  
5 reimbursement due each county shall be paid by the director of  
6 revenue and finance ~~on October 20~~ by November 15 of each year,  
7 drawn upon warrants payable to the respective treasurer.  
8 There is appropriated annually from the general fund of the  
9 state to the department of revenue and finance an amount  
10 sufficient to carry out the provisions of this subsection.  
11 The treasurer shall credit any moneys received from the  
12 department against the amount of the unpaid special assessment  
13 due and payable on the homestead of the claimant.

14 Sec. 11. Section 427.1, subsection 27, Code Supplement  
15 1995, is amended by striking the subsection.

16 Sec. 12. Section 428A.1, unnumbered paragraph 1, Code  
17 1995, is amended to read as follows:

18 There is imposed on each deed, instrument, or writing by  
19 which any lands, tenements, or other realty in this state are  
20 granted, assigned, transferred, or otherwise conveyed, a tax  
21 determined in the following manner: When there is no  
22 consideration or when the deed instrument or writing is  
23 executed and tendered for recording as an instrument  
24 corrective of title, and so states, there is no tax. When  
25 there is consideration and the actual market value of the real  
26 property transferred is in excess of five hundred dollars, the  
27 tax is eighty cents for each five hundred dollars or  
28 fractional part of five hundred dollars in excess of five  
29 hundred dollars. The term "consideration", as used in this  
30 chapter, means the full amount of the actual sale price of the  
31 real property involved, paid or to be paid, including the  
32 amount of an encumbrance or lien on the property, whether if  
33 ~~assumed or not~~ by the grantee. It is presumed that the sale  
34 price so stated includes the value of all personal property  
35 transferred as part of the sale unless the dollar value of

1 personal property is stated on the instrument of conveyance.  
2 When the dollar value of the personal property included in the  
3 sale is so stated, it shall be deducted from the consideration  
4 shown on the instrument for the purpose of determining the  
5 tax.

6 Sec. 13. Section 435.22, subsection 5, unnumbered  
7 paragraph 1, Code 1995, is amended to read as follows:

8 A claim for credit for home tax due shall not be paid or  
9 allowed unless the claim is actually filed with the county  
10 treasurer between January 1 and June 1, both dates inclusive,  
11 immediately preceding the fiscal year during which the home  
12 taxes are due and, with the exception of a claim filed on  
13 behalf of a deceased claimant by the claimant's legal  
14 guardian, spouse, or attorney, or by the executor or  
15 administrator of the claimant's estate, contains an affidavit  
16 of the claimant's intent to occupy the home for six months or  
17 more during the fiscal year beginning in the calendar year in  
18 which the claim is filed. However, in case of sickness,  
19 absence, or other disability of the claimant, or if in the  
20 judgment of the county treasurer good cause exists, the county  
21 treasurer may extend the time for filing a claim for credit  
22 through September 30 of the same calendar year. The county  
23 treasurer shall ~~submit-the-claim~~ certify to the director of  
24 revenue and finance on or before ~~August-1~~ November 15 each  
25 year the total dollar amount due for claims allowed.

26 Sec. 14. Section 446.16, unnumbered paragraph 1, Code  
27 Supplement 1995, is amended to read as follows:

28 The person who offers to pay the total amount due, which is  
29 a lien on any parcel, for the smallest percentage of the  
30 parcel is the purchaser, and when the purchaser designates the  
31 percentage of any parcel for which the purchaser will pay the  
32 total amount due, the percentage thus designated shall give  
33 the person an undivided interest upon the issuance of a  
34 treasurer's deed, as provided in chapter 448. If two or more  
35 persons have placed an equal bid and the bids are the smallest

1 percentage offered, the county treasurer shall use a random  
2 selection process to select the bidder to whom a certificate  
3 of purchase will be issued. All bidders shall be at least  
4 eighteen years of age.

5 Sec. 15. Section 446.39, Code 1995, is amended to read as  
6 follows:

7 446.39 IOWA FINANCE AUTHORITY STATEMENT.

8 A city or county, a city or county agency as authorized by  
9 the Iowa finance authority, or the Iowa finance authority may  
10 file with the county treasurer a verified statement that a  
11 parcel to be sold at tax sale is abandoned and deteriorating  
12 in condition, is inhabited but is not safe for human  
13 habitation, or is, or is likely to become, a public nuisance,  
14 and that the parcel is suitable for use and is to be used in  
15 an Iowa homesteading project under section 16.14. Other  
16 information may be included. Upon proper filing of the  
17 statement, and if the parcel is offered at a tax sale and no  
18 bid is received, or if the bid received is less than the total  
19 amount due, ~~or-if-the-parcel-is-to-be-transferred-to-the~~  
20 ~~county-under-section-446-38~~, the city, county, city or county  
21 agency, or Iowa finance authority may bid for the parcel for  
22 use in an Iowa homesteading project, bidding a sum equal to  
23 the total amount due. Each of the tax-levying and tax-  
24 certifying bodies having an interest in the taxes for which  
25 the parcel is sold shall be charged with its proportionate  
26 share of the purchase price.

27 Sec. 16. Section 447.9, unnumbered paragraph 1, Code  
28 Supplement 1995, is amended to read as follows:

29 After one year and nine months from the date of sale, or  
30 after nine months from the date of a sale made under section  
31 446.18~~7~~-~~446-38~~ or 446.39, the holder of the certificate of  
32 purchase may cause to be served upon the person in possession  
33 of the parcel, and also upon the person in whose name the  
34 parcel is taxed, in the manner provided for the service of  
35 original notices in R.C.P. 56.1, if the person resides in

1 Iowa, or otherwise as provided in section 446.9, subsection 1,  
2 a notice signed by the certificate holder or the certificate  
3 holder's agent or attorney, stating the date of sale, the  
4 description of the parcel sold, the name of the purchaser, and  
5 that the right of redemption will expire and a deed for the  
6 parcel be made unless redemption is made within ninety days  
7 from the completed service of the notice. The ninety-day  
8 redemption period begins as provided in section 447.12. When  
9 the notice is given by a county as a holder of a certificate  
10 of purchase the notice shall be signed by the county treasurer  
11 or the county attorney, and when given by a city, it shall be  
12 signed by the city officer designated by resolution of the  
13 council. When the notice is given by the Iowa finance  
14 authority or a city or county agency holding the parcel as  
15 part of an Iowa homesteading project, it shall be signed on  
16 behalf of the agency or authority by one of its officers, as  
17 authorized in rules of the agency or authority.

18 Sec. 17. Section 448.3, Code Supplement 1995, is amended  
19 to read as follows:

20 448.3 EXECUTION AND EFFECT OF DEED.

21 The deed shall be signed by the county treasurer as such,  
22 and acknowledged by the treasurer before some officer  
23 authorized to take acknowledgments, and when substantially  
24 thus executed and recorded in the proper record in the office  
25 of the recorder of the county in which the parcel is situated,  
26 shall vest in the purchaser all the right, title, interest,  
27 and claim of the state and county to the parcel, and all the  
28 right, title, interest, and estate of the former owner in and  
29 to the parcel conveyed. However, the deed is subject to all  
30 restrictive covenants, resulting from prior conveyances in the  
31 chain of title to the former owner, and subject to all the  
32 right and interest of a holder of a certificate of purchase  
33 from a tax sale occurring after the tax sale for which the  
34 deed was issued, and all the right, title, interest, and claim  
35 of the state and county to the parcel. The issuance of the

1 deed shall operate to cancel all suspended taxes.

2 Sec. 18. Section 468.57, subsection 2, unnumbered  
3 paragraph 1, Code Supplement 1995, is amended to read as  
4 follows:

5 To pay the assessments in not less than ten nor more than  
6 twenty equal installments, with the number of payments and  
7 interest rate determined by the board, notwithstanding chapter  
8 74A. The first installment of each assessment, or the total  
9 amount if less than one hundred dollars, is due and payable on  
10 July 1 next succeeding the date of the levy, unless the  
11 assessment is filed with the county treasurer after May 31 in  
12 any year. The first installment shall bear interest on the  
13 whole unpaid assessment from the date of the levy as set by  
14 the board to the first day of December following the due date.  
15 The succeeding annual installments, with interest on the whole  
16 unpaid amount, to the first day of December following the due  
17 date, are respectively due on July 1 annually, and must be  
18 paid at the same time and in the same manner as the first  
19 semiannual payment of ordinary taxes. All future installments  
20 of an assessment may be paid on any date by payment of the  
21 then outstanding balance plus interest ~~accrued to the date of~~  
22 payment to the next December 1, or additional annual  
23 installments may be paid after the current installment has  
24 been paid before December 1 without interest. A payment must  
25 be for the full amount of the next installment. If  
26 installments remain to be paid, the next annual installment  
27 with interest added to December 1 will be due. After December  
28 1, if a drainage assessment is not delinquent, a property  
29 owner may pay one-half or all of the next annual installment  
30 of principal and interest of a drainage assessment prior to  
31 the delinquency date of the installment. When the next  
32 installment has been paid in full, successive principal  
33 installments may be prepaid. The county treasurer shall  
34 accept the payments of the drainage assessment, and shall  
35 credit the next annual installment or future installments of

1 the drainage assessment to the extent of the payment or  
2 payments, and shall remit the payments to the drainage fund.  
3 If a property owner elects to pay one or more principal  
4 installments in advance, the pay schedule shall be advanced by  
5 the number of principal installments prepaid. Each  
6 installment of an assessment with interest on the unpaid  
7 balance is delinquent from October 1 after its due date,  
8 including those instances when the last day of September is a  
9 Saturday or Sunday, and bears the same delinquent interest as  
10 ordinary taxes. When collected, the interest must be credited  
11 to the same drainage fund as the drainage special assessment.

12 Sec. 19. Section 444.28, Code 1995, is repealed.

13 Sec. 20. APPLICABILITY DATE. Sections 8, 10, and 13 of  
14 this Act are retroactively applicable to claims filed on or  
15 after January 1, 1996.

16 Sec. 21. EFFECTIVE DATES.

17 1. This section and sections 14, 15, and 17 of this Act,  
18 being deemed of immediate importance, take effect upon  
19 enactment.

20 2. The remaining sections of this Act take effect on July  
21 1, 1996.

22 EXPLANATION

23 This bill provides amendments to the powers and duties of  
24 county treasurers.

25 Section 2 adds three provisions relating to the form and  
26 method of payment made to county treasurers. The county  
27 treasurers are to accept payment by cash, check, or other form  
28 of legal tender or payment accepted by the federal internal  
29 revenue service, but the treasurer may refuse payment in the  
30 form of coins. The county treasurers may also accept  
31 electronic transfers of moneys and may require a payor or  
32 agent of a payor to pay by electronic transfer if the  
33 aggregate payment is \$100,000 or more.

34 Sections 1, 3, and 4 are corresponding amendments to  
35 section 5 which changes reference to a fee book to a record of

1 fees within the county system.

2 Section 5 amends provisions relating to the keeping of  
3 records of fees collected. The subsections are updated to  
4 refer to the county system of records rather than to fee  
5 books. Section 6 also updates the records of special  
6 assessments to reflect the use of a county system of records  
7 in lieu of books.

8 Sections 7, 8, 10, and 13 amend sections 425.2, 425.20,  
9 425.23, and 435.22 to eliminate the late filing of claims for  
10 homestead credits and other property tax credits. The  
11 amendments allow an extension of the deadline from June 1 to  
12 September 30 in the judgment of the county treasurer in lieu  
13 of the director of revenue and finance. The date of  
14 certification to the department of revenue and finance is  
15 changed to May 1. Certification of special assessment claims  
16 and claims for mobile homes to the department is changed to  
17 November 15.

18 Section 9 strikes a provision which allows the late filing  
19 of a claim for homestead credits or reimbursement.

20 Section 11 strikes a personal property tax exemption for  
21 persons serving in the armed forces of the United States while  
22 they remain on active duty.

23 Section 12 amends the definition of consideration as it  
24 relates to the sale price of real estate which is subject to  
25 the real estate transfer tax. If enacted, the consideration  
26 will include the sale price of the real estate and the amount  
27 of an encumbrance or lien on the property only if the  
28 encumbrance or lien is assumed by the grantee.

29 Section 14 requires that all bidders at tax sales be at  
30 least eighteen years of age.

31 Sections 15 and 16 amend sections 446.39 and 447.9 to  
32 remove a conflict with section 446.38 relating to the  
33 conveyance of property with suspended taxes.

34 Section 17 relates to execution and effect of a deed to a  
35 parcel issued as a result of sale of the parcel at a tax sale.

1 Section 18 changes the date of waived drainage future  
2 installment payments to be consistent with waived special  
3 assessments and also changes the delinquency penalty dates to  
4 be consistent with the remainder of the tax collection  
5 process.

6 Section 19 repeals the property tax limitations for cities  
7 and counties for the fiscal year 1995.

8 Section 20 makes sections 8, 10, and 13 retroactively  
9 applicable to claims filed on or after January 1, 1996.

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## HOUSE FILE 2470

H-5240

Amend House File 2470 as follows:

1. Page 7, by inserting after line 5 the following:

"Sec. \_\_\_\_ . Section 435.1, subsection 5, Code Supplement 1995, is amended to read as follows:

5. "Modular home" means a factory-built structure ~~built-on-a-permanent-chassis~~ which is manufactured to be used as a place of human habitation, is constructed to comply with the Iowa state building code for modular factory-built structures, and must display the seal issued by the state building code commissioner. If a modular home is placed in a mobile home park, the home is subject to the annual tax as required by section 435.22. If a modular home is placed outside a mobile home park, the home shall be considered real property and is to be assessed and taxed as real estate."

2. Page 11, by inserting after line 11 the following:

"Sec. \_\_\_\_ . Section 555B.4, subsection 3, Code 1995, is amended to read as follows:

3. If a tax lien exists on the mobile home or personal property at the time an action for abandonment is initiated, the real property owner shall notify the county treasurer of each county in which a tax lien appears by restricted certified mail sent not less than ten days before the hearing. The notice shall describe the mobile home and shall state the docket, case number, date and time at which the hearing is scheduled, and the county treasurer's right to assert a claim to the mobile home at the hearing. The notice shall also state that failure to assert a claim to the mobile home is deemed a waiver of all right, title, claim, and interest in the mobile home and is deemed consent to the sale or disposal of the mobile home.

Sec. \_\_\_\_ . Section 562B.7, subsection 6, Code 1995, is amended by striking the subsection and inserting in lieu thereof the following:

6. "Mobile home park" means a site, lot, field, or tract of land upon which three or more mobile homes, manufactured homes, or modular homes, or a combination of any of these homes are placed on developed spaces and operated as a for-profit enterprise with water, sewer or septic, and electrical services available."

3. By renumbering as necessary.

By VANDE HOEF of Osceola

H-5240 FILED MARCH 7, 1996

Vande Hoef chr  
Houser  
Koenigs

HSB 641

LOCAL GOVERNMENT

SF (hr) 2470

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
LOCAL GOVERNMENT BY  
CHAIRPERSON VANDE HOEF)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to the financial procedures of counties, cities,  
2 and drainage districts, by amending the powers and duties of  
3 county treasurers, by eliminating the filing of late claims  
4 for property credits, by striking personal property tax  
5 credits of military veterans, by striking outdated property  
6 tax limitations, by providing for properly related matters,  
7 and by providing an applicability date.

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

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1 Section 1. Section 331.508, subsection 6, Code Supplement  
2 1995, is amended to read as follows:

3 6. ~~Fee-book~~ A record of fees within the county system as  
4 provided in section 331.902.

5 Sec. 2. Section 331.553, Code Supplement 1995, is amended  
6 by adding the following new subsections:

7 NEW SUBSECTION. 5. Require that payments be made by cash,  
8 check, or other form of legal tender or payment accepted by  
9 the federal internal revenue service. A treasurer may refuse  
10 a payment which is made in coins.

11 NEW SUBSECTION. 6. May accept electronic transfers of  
12 funds in payment of moneys due to the county, including but  
13 not limited to, state credits, tax payments, and redemptions.

14 NEW SUBSECTION. 7. Require a payor or an agent of a payor  
15 who makes an aggregate payment of one hundred thousand dollars  
16 or more to make payment by electronic transfer of the funds.

17 Sec. 3. Section 331.607, subsection 3, Code 1995, is  
18 amended to read as follows:

19 3. A ~~fee-book~~ record of fees within the county system as  
20 provided in section 331.902.

21 Sec. 4. Section 331.655, subsection 3, Code 1995, is  
22 amended to read as follows:

23 3. The sheriff shall keep an accurate record of the fees  
24 collected ~~in-a-fee-book~~ within the county system, make a  
25 quarterly report of the fees collected to the board, and pay  
26 the fees belonging to the county into the county treasury as  
27 provided in section 331.902.

28 Sec. 5. Section 331.902, subsections 2 and 3, Code 1995,  
29 are amended to read as follows:

30 2. Each elective officer specified in subsection 1 shall  
31 keep a ~~fee-book~~ record of fees within the county system as a  
32 part of the permanent county records of the office. The ~~book~~  
33 record shall ~~be ruled-in-appropriate-columns-for~~ include the  
34 date, kind of service, for whom rendered, and the amount of  
35 fee or charge collected and, when the fee is for recording an

1 instrument, the names of the parties to the instrument. The  
2 required information shall be recorded ~~in-the-fee-book~~ when  
3 the service is rendered.

4 3. Each elective officer specified in subsection 1 shall  
5 make a quarterly report to the board showing, by type, the  
6 fees collected during the preceding quarter. The officer  
7 shall pay at least quarterly to the county treasury the fees  
8 and charges collected, receive duplicate receipts for the  
9 payment, and file one of the receipts in the office of the  
10 auditor, except for the county auditor's transfer fees, which  
11 shall be paid directly to the county treasurer by the county  
12 recorder. The officer shall note in the ~~officer's-fee-book~~ in  
13 the county system the date and amount of each payment into the  
14 county treasury. This subsection does not apply to the county  
15 treasurer if the county treasurer credits the fees daily to  
16 the county treasury and reports the receipts on the monthly  
17 report to the auditor and the board of supervisors.

18 Sec. 6. Section 384.63, unnumbered paragraphs 2 and 4,  
19 Code 1995, are amended to read as follows:

20 The council shall, by resolution, provide that the  
21 deficiencies for the lots specially benefited by a public  
22 improvement shall be certified to the county treasurer, who  
23 shall record them in ~~a-separate-book-entitled-"Special~~  
24 ~~Assessment-Deficiencies"~~ the county system, and to the  
25 appropriate city official charged with the responsibility of  
26 issuing building permits, who shall notify the council when a  
27 private improvement is subsequently constructed on any lot  
28 subject to a deficiency. Certification to the county  
29 treasurer shall include a legal description of each lot. The  
30 period of amortization for a public improvement for which  
31 there are deficiencies shall commence with the adoption of the  
32 resolution of necessity and extend for the same period for  
33 which installments of assessments for the project are made  
34 payable. Deficiencies may be assessed only during the period  
35 of amortization, which shall also be certified to the county

1 treasurer and the city official charged with the  
2 responsibility of issuing building permits. Certification to  
3 the county treasurer shall include a legal description of each  
4 lot.

5 An owner may appeal from the amount of the assessment  
6 within thirty days of the date notice is mailed. County  
7 officials shall collect a deficiency assessment, commencing in  
8 the year following the assessment, in the manner provided for  
9 the collection of other special assessments. Upon collection,  
10 the county treasurer shall make the appropriate credit entries  
11 in the "~~Special-Assessment-Deficiencies~~"-book county system,  
12 and shall credit the amounts collected as provided for other  
13 special assessments on the same public improvement, or to the  
14 city, to the extent that the deficiency has been previously  
15 paid from other city funds.

16 Sec. 7. Section 425.2, unnumbered paragraphs 2 and 6, Code  
17 1995, are amended to read as follows:

18 Upon the filing and allowance of the claim, the claim shall  
19 be allowed on that homestead for successive years without  
20 further filing as long as the property is legally or equitably  
21 owned and used as a homestead by that person or that person's  
22 spouse on July 1 of each of those successive years, and the  
23 owner of the property being claimed as a homestead declares  
24 residency in Iowa for purposes of income taxation, and the  
25 property is occupied by that person or that person's spouse  
26 for at least six months in each of those calendar years in  
27 which the fiscal year begins. When the property is sold or  
28 transferred, the buyer or transferee who wishes to qualify  
29 shall refile for the credit. However, when the property is  
30 transferred as part of a distribution made pursuant to chapter  
31 598, the transferee who is the spouse retaining ownership of  
32 the property is not required to refile for the credit.

33 Property divided pursuant to chapter 598 shall not be modified  
34 following the division of the property. An owner who ceases  
35 to use a property for a homestead or intends not to use it as

1 a homestead for at least six months in a calendar year shall  
2 provide written notice to the assessor by July 1 following the  
3 date on which the use is changed. ~~If the written notice is~~  
4 ~~not provided to the assessor by the appropriate July 1, the~~  
5 ~~owner forfeits the right to file a belated claim on another~~  
6 ~~homestead for the year the notice should have been given.~~ A  
7 person who sells or transfers a homestead or the personal  
8 representative of a deceased person who had a homestead at the  
9 time of death, shall provide written notice to the assessor  
10 that the property is no longer the homestead of the former  
11 claimant.

12 ~~The failure of a person to file a claim under this section~~  
13 ~~on or before July 1 of the year for which the person is first~~  
14 ~~claiming the credit or to have the evidence of ownership~~  
15 ~~recorded in the office of the county recorder does not~~  
16 ~~disqualify the claim if the person claiming the credit or~~  
17 ~~through whom the credit is claimed is otherwise qualified.~~  
18 ~~The belated claim shall be filed with the appropriate assessor~~  
19 ~~on or before December 31 of the following calendar year and,~~  
20 ~~if approved by the board of supervisors, the county treasurer~~  
21 ~~shall submit the belated claim to the director of revenue and~~  
22 ~~finance who shall send payment to the claimant.--The payment~~  
23 ~~shall be made from funds appropriated to the homestead credit~~  
24 ~~fund.~~

25 Sec. 8. Section 425.20, unnumbered paragraph 2, Code 1995,  
26 is amended to read as follows:

27 A claim for credit for property taxes due shall not be paid  
28 or allowed unless the claim is filed with the county treasurer  
29 between January 1 and June 1, both dates inclusive,  
30 immediately preceding the fiscal year during which the  
31 property taxes are due. However, in case of sickness,  
32 absence, or other disability of the claimant, or if in the  
33 judgment of the county treasurer good cause exists, the county  
34 treasurer may extend the time for filing a claim for credit  
35 through September 30 of the same calendar year. The county

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1 treasurer shall ~~submit-the-claim~~ certify to the director of  
2 revenue and finance on or before ~~August~~ May 1 of each year the  
3 total amount of dollars due for claims allowed.

4 Sec. 9. Section 425.23, subsection 3, paragraph a, Code  
5 1995, is amended to read as follows:

6 a. A person who is eligible to file a claim for credit for  
7 property taxes due and who has a household income of six  
8 thousand dollars or less and who has an unpaid special  
9 assessment levied against the homestead may file a claim for  
10 special assessment with the county treasurer ~~that-the-claimant~~  
11 ~~had-a-household-income-of-six-thousand-dollars-or-less-and~~  
12 ~~that-an-unpaid-special-assessment-is-presently-levied-against~~  
13 ~~the-homestead.~~ The department shall provide to the respective  
14 treasurers the forms necessary for the administration of this  
15 subsection. The claim shall be filed not later than September  
16 30 of each year. Upon the filing of the claim, interest for  
17 late payment shall not accrue against the amount of the unpaid  
18 special assessment due and payable. The claim filed by the  
19 claimant constitutes a claim for credit of an amount equal to  
20 the actual amount due upon the unpaid special assessment, plus  
21 interest, payable during the fiscal year for which the claim  
22 is filed against the homestead of the claimant. However,  
23 where the claimant is an individual described in section  
24 425.17, subsection 2, paragraph "b", and the tentative credit  
25 is determined according to the schedule in section 425.23,  
26 subsection 1, paragraph "b", subparagraph (2), the claim filed  
27 constitutes a claim for credit of an amount equal to one-half  
28 of the actual amount due and payable during the fiscal year.  
29 ~~The-department-of-revenue-and-finance-shall,-upon-the-filing~~  
30 ~~of-the-claim-with-the-department-by-the-treasurer,-pay-that~~  
31 ~~amount-of-the-unpaid-special-assessment-during-the-current~~  
32 ~~fiscal-year-to-the-treasurer.~~ The treasurer shall ~~submit-the~~  
33 claims certify to the director of revenue and finance not  
34 later than October 15 of each year the total amount of dollars  
35 due for the claims allowed. ~~The-director-of-revenue-and~~

~~1 finance shall certify the amount of reimbursement due each~~  
~~2 county for unpaid special assessment credits allowed under~~  
~~3 this subsection.~~ The amount of reimbursement due each county  
4 shall be paid by the director of revenue and finance on  
5 ~~October 20~~ by November 15 of each year, drawn upon warrants  
6 payable to the respective treasurer. There is appropriated  
7 annually from the general fund of the state to the department  
8 of revenue and finance an amount sufficient to carry out the  
9 provisions of this subsection. The treasurer shall credit any  
10 moneys received from the department against the amount of the  
11 unpaid special assessment due and payable on the homestead of  
12 the claimant.

13 Sec. 10. Section 427.1, subsection 27, Code Supplement  
14 1995, is amended by striking the subsection.

15 Sec. 11. Section 428A.1, unnumbered paragraph 1, Code  
16 1995, is amended to read as follows:

17 There is imposed on each deed, instrument, or writing by  
18 which any lands, tenements, or other realty in this state are  
19 granted, assigned, transferred, or otherwise conveyed, a tax  
20 determined in the following manner: When there is no  
21 consideration or when the deed instrument or writing is  
22 executed and tendered for recording as an instrument  
23 corrective of title, and so states, there is no tax. When  
24 there is consideration and the actual market value of the real  
25 property transferred is in excess of five hundred dollars, the  
26 tax is eighty cents for each five hundred dollars or  
27 fractional part of five hundred dollars in excess of five  
28 hundred dollars. The term "consideration", as used in this  
29 chapter, means the full amount of the actual sale price of the  
30 real property involved, paid or to be paid, including the  
31 amount of an encumbrance or lien on the property, whether if  
32 ~~assumed or not~~ by the grantee. It is presumed that the sale  
33 price so stated includes the value of all personal property  
34 transferred as part of the sale unless the dollar value of  
35 personal property is stated on the instrument of conveyance.

1 When the dollar value of the personal property included in the  
2 sale is so stated, it shall be deducted from the consideration  
3 shown on the instrument for the purpose of determining the  
4 tax.

5 Sec. 12. Section 435.22, subsection 5, unnumbered  
6 paragraph 1, Code 1995, is amended to read as follows:

7 A claim for credit for home tax due shall not be paid or  
8 allowed unless the claim is actually filed with the county  
9 treasurer between January 1 and June 1, both dates inclusive,  
10 immediately preceding the fiscal year during which the home  
11 taxes are due and, with the exception of a claim filed on  
12 behalf of a deceased claimant by the claimant's legal  
13 guardian, spouse, or attorney, or by the executor or  
14 administrator of the claimant's estate, contains an affidavit  
15 of the claimant's intent to occupy the home for six months or  
16 more during the fiscal year beginning in the calendar year in  
17 which the claim is filed. However, in case of sickness,  
18 absence, or other disability of the claimant, or if in the  
19 judgment of the county treasurer good cause exists, the county  
20 treasurer may extend the time for filing a claim for credit  
21 through September 30 of the same calendar year. The county  
22 treasurer shall ~~submit the claim~~ certify to the director of  
23 revenue and finance on or before ~~August 1~~ November 15 each  
24 year the total dollar amount due for claims allowed.

25 Sec. 13. Section 446.16, unnumbered paragraph 1, Code  
26 Supplement 1995, is amended to read as follows:

27 The person who offers to pay the total amount due, which is  
28 a lien on any parcel, for the smallest percentage of the  
29 parcel is the purchaser, and when the purchaser designates the  
30 percentage of any parcel for which the purchaser will pay the  
31 total amount due, the percentage thus designated shall give  
32 the person an undivided interest upon the issuance of a  
33 treasurer's deed, as provided in chapter 448. If two or more  
34 persons have placed an equal bid and the bids are the smallest  
35 percentage offered, the county treasurer shall use a random

1 selection process to select the bidder to whom a certificate  
2 of purchase will be issued. All bidders shall be at least  
3 eighteen years of age.

4 Sec. 14. Section 446.39, Code 1995, is amended to read as  
5 follows:

6 446.39 IOWA FINANCE AUTHORITY STATEMENT.

7 A city or county, a city or county agency as authorized by  
8 the Iowa finance authority, or the Iowa finance authority may  
9 file with the county treasurer a verified statement that a  
10 parcel to be sold at tax sale is abandoned and deteriorating  
11 in condition, is inhabited but is not safe for human  
12 habitation, or is, or is likely to become, a public nuisance,  
13 and that the parcel is suitable for use and is to be used in  
14 an Iowa homesteading project under section 16.14. Other  
15 information may be included. Upon proper filing of the  
16 statement, and if the parcel is offered at a tax sale and no  
17 bid is received, or if the bid received is less than the total  
18 amount due, ~~or-if-the-parcel-is-to-be-transferred-to-the~~  
19 ~~county-under-section-446-38~~, the city, county, city or county  
20 agency, or Iowa finance authority may bid for the parcel for  
21 use in an Iowa homesteading project, bidding a sum equal to  
22 the total amount due. Each of the tax-levying and tax-  
23 certifying bodies having an interest in the taxes for which  
24 the parcel is sold shall be charged with its proportionate  
25 share of the purchase price.

26 Sec. 15. Section 447.9, unnumbered paragraph 1, Code  
27 Supplement 1995, is amended to read as follows:

28 After one year and nine months from the date of sale, or  
29 after nine months from the date of a sale made under section  
30 446.187-446-38 or 446.39, the holder of the certificate of  
31 purchase may cause to be served upon the person in possession  
32 of the parcel, and also upon the person in whose name the  
33 parcel is taxed, in the manner provided for the service of  
34 original notices in R.C.P. 56.1, if the person resides in  
35 Iowa, or otherwise as provided in section 446.9, subsection 1,

1 a notice signed by the certificate holder or the certificate  
2 holder's agent or attorney, stating the date of sale, the  
3 description of the parcel sold, the name of the purchaser, and  
4 that the right of redemption will expire and a deed for the  
5 parcel be made unless redemption is made within ninety days  
6 from the completed service of the notice. The ninety-day  
7 redemption period begins as provided in section 447.12. When  
8 the notice is given by a county as a holder of a certificate  
9 of purchase the notice shall be signed by the county treasurer  
10 or the county attorney, and when given by a city, it shall be  
11 signed by the city officer designated by resolution of the  
12 council. When the notice is given by the Iowa finance  
13 authority or a city or county agency holding the parcel as  
14 part of an Iowa homesteading project, it shall be signed on  
15 behalf of the agency or authority by one of its officers, as  
16 authorized in rules of the agency or authority.

17 Sec. 16. Section 468.57, subsection 2, unnumbered  
18 paragraph 1, Code Supplement 1995, is amended to read as  
19 follows:

20 To pay the assessments in not less than ten nor more than  
21 twenty equal installments, with the number of payments and  
22 interest rate determined by the board, notwithstanding chapter  
23 74A. The first installment of each assessment, or the total  
24 amount if less than one hundred dollars, is due and payable on  
25 July 1 next succeeding the date of the levy, unless the  
26 assessment is filed with the county treasurer after May 31 in  
27 any year. The first installment shall bear interest on the  
28 whole unpaid assessment from the date of the levy as set by  
29 the board to the first day of December following the due date.  
30 The succeeding annual installments, with interest on the whole  
31 unpaid amount, to the first day of December following the due  
32 date, are respectively due on July 1 annually, and must be  
33 paid at the same time and in the same manner as the first  
34 semiannual payment of ordinary taxes. All future installments  
35 of an assessment may be paid on any date by payment of the

1 then outstanding balance plus interest ~~accrued to the date of~~  
2 payment to the next December 1, or additional annual  
3 installments may be paid after the current installment has  
4 been paid before December 1. A payment must be for the full  
5 amount of the next installment. If installments remain to be  
6 paid, the next annual installment with interest added to  
7 December 1 will be due. After December 1, if a drainage  
8 assessment is not delinquent, a property owner may pay one-  
9 half or all of the next annual installment of principal and  
10 interest of a drainage assessment prior to the delinquency  
11 date of the installment. When the next installment has been  
12 paid in full, successive principal installments may be  
13 prepaid. The county treasurer shall accept the payments of  
14 the drainage assessment, and shall credit the next annual  
15 installment or future installments of the drainage assessment  
16 to the extent of the payment or payments, and shall remit the  
17 payments to the drainage fund. If a property owner elects to  
18 pay one or more principal installments in advance, the pay  
19 schedule shall be advanced by the number of principal  
20 installments prepaid. Each installment of an assessment with  
21 interest on the unpaid balance is delinquent from October 1  
22 after its due date, including those instances when the last  
23 day of September is a Saturday or Sunday, and bears the same  
24 delinquent interest as ordinary taxes. When collected, the  
25 interest must be credited to the same drainage fund as the  
26 drainage special assessment.

27 Sec. 17. APPLICABILITY DATES. Sections 8, 9, and 12 of  
28 this Act are retroactively applicable to claims filed on or  
29 after January 1, 1996.

30 Sec. 18. Section 444.28, Code 1995, is repealed.

31 EXPLANATION

32 This bill provides amendments to the powers and duties of  
33 county treasurers.

34 Section 2 adds three provisions relating to the form and  
35 method of payment made to county treasurers. The county

1 treasurers are to accept payment by cash, check, or other form  
2 of legal tender or payment accepted by the federal internal  
3 revenue service, but the treasurer may refuse payment in the  
4 form of coins. The county treasurers may also accept  
5 electronic transfers of moneys and may require a payor or  
6 agent of a payor to pay by electronic transfer if the  
7 aggregate payment is \$100,000 or more.

8 Sections 1, 3, and 4 are corresponding amendments to  
9 section 5 which changes reference to a fee book to a record of  
10 fees within the county system.

11 Section 5 amends provisions relating to the keeping of  
12 records of fees collected. The subsections are updated to  
13 refer to the county system of records rather than to fee  
14 books. Section 6 also updates the records of special  
15 assessments to reflect the use of a county system of records  
16 in lieu of books.

17 Sections 7, 8, 9, and 12 amend sections 425.2, 425.20,  
18 425.23, and 435.22 to eliminate the late filing of claims for  
19 homestead credits and other property tax credits. The  
20 amendments allow an extension of the deadline from June 1 to  
21 September 30 in the judgment of the county treasurer in lieu  
22 of the director of revenue and finance. The date of  
23 certification to the department of revenue and finance is  
24 changed to May 1. Certification of special assessment claims  
25 and claims for mobile homes to the department is changed to  
26 November 15.

27 Section 10 strikes a personal property tax exemption for  
28 persons serving in the armed forces of the United States while  
29 they remain on active duty.

30 Section 11 amends the definition of consideration as it  
31 relates to the sale price of real estate which is subject to  
32 the real estate transfer tax. If enacted, the consideration  
33 will include the sale price of the real estate and the amount  
34 of an encumbrance or lien on the property only if the  
35 encumbrance or lien is assumed by the grantee.

1 Section 13 requires that all bidders at tax sales be at  
2 least eighteen years of age.

3 Sections 14 and 15 amend sections 446.39 and 447.9 to  
4 remove a conflict with section 446.38 relating to the  
5 conveyance of property with suspended taxes.

6 Section 16 changes the date of waived drainage future  
7 installment payments to be consistent with waived special  
8 assessments and also changes the delinquency penalty dates to  
9 be consistent with the remainder of the tax collection  
10 process.

11 Section 17 makes sections 8, 9, and 12 retroactively  
12 applicable to claims filed on or after January 1, 1996.

13 Section 18 repeals the property tax limitations for cities  
14 and counties for the fiscal year 1995.

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