

4-4-95 Referred to ways & means

MAR 21 1995

LOCAL GOVERNMENT

HOUSE FILE 506
BY OLLIE
(also 568)

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

A BILL FOR

1 An Act relating to the procedure for changing the use of revenues
2 from a local option sales and services tax and providing an
3 effective date.

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

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HF 506

1 Section 1. Section 422B.1, subsection 5, paragraph a,
2 unnumbered paragraph 1, Code 1995, is amended to read as
3 follows:

4 If a majority of those voting on the question of imposition
5 of a local option tax favor imposition of a local option tax,
6 the governing body of that county shall impose the tax at the
7 rate specified for an unlimited period. However, in the case
8 of a local sales and services tax, the county shall not impose
9 the tax in any incorporated area or the unincorporated area if
10 the majority of those voting on the tax in that area did not
11 favor its imposition. For purposes of the local sales and
12 services tax, all cities contiguous to each other shall be
13 treated as part of one incorporated area and the tax shall be
14 imposed in each of those contiguous cities only if the
15 majority of those voting on the tax in the total area covered
16 by the contiguous cities favored its imposition. The local
17 option tax may be repealed or the rate increased or decreased
18 or the use thereof changed after an election at which a
19 majority of those voting on the question of repeal or rate or
20 use change favored the repeal or rate or use change. The
21 election at which the question of repeal or rate or use change
22 is offered shall be called and held in the same manner and
23 under the same conditions as provided in subsections 3 and 4
24 for the election on the imposition of the local option tax.
25 However, in the case of a local sales and services tax where
26 the tax has not been imposed countywide, the question of
27 repeal or imposition or rate or use change shall be voted on
28 only by the qualified electors of the areas of the county
29 where the tax has been imposed or has not been imposed, as
30 appropriate. However, the governing body of the incorporated
31 area or unincorporated area where the local sales and services
32 tax is imposed may, upon its own motion, request the county
33 commissioner of elections to hold an election in the
34 incorporated or unincorporated area, as appropriate, on the
35 question of the change in use of local sales and services tax

1 revenues. The election may be held at any time but not sooner
2 than sixty days following publication of the ballot
3 proposition. If a majority of those voting in the
4 incorporated or unincorporated area on the change in use favor
5 the change, the governing body of that area shall change the
6 use to which the revenues shall be used. The ballot
7 proposition shall list the present use of the revenues, the
8 proposed use, and the date after which revenues received will
9 be used for the new use.

10 Sec. 2. This Act, being deemed of immediate importance,
11 takes effect upon enactment.

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EXPLANATION

13 Present law requires all areas in the county in which a
14 county local option sales and services tax has been imposed to
15 have an election to vote on the change in the use of the
16 revenues from such tax even if only one area wants to change
17 its use of the revenues. The bill makes it possible for each
18 area, upon the request of the governing body for that area, to
19 have its own election to vote on its proposed change in use.

20 The bill takes effect upon enactment.

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