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SENATE FILE 2091
BY PRIEBE

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

A BILL FOR

1 An Act relating to the taxation of railway companies and grain
2 cars and gross weight limits for trucks hauling grain and
3 livestock and providing an effective date.

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

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S.F. 2091

1 Section 1. Section 321.463, Code Supplement 1995, is
2 amended by adding after unnumbered paragraph 6 the following
3 new unnumbered paragraph:

4 NEW UNNUMBERED PARAGRAPH. In addition, the weight on any
5 one axle, including a tandem axle, of a vehicle which is
6 transporting grain or livestock during the period beginning
7 January 1, 1996, and ending December 31, 1998, may exceed the
8 legal maximum weight otherwise allowed under this chapter by
9 ten percent if the gross weight on any particular group of
10 axles on the vehicle does not exceed the gross weight allowed
11 under this chapter for that group of axles plus ten percent of
12 such gross weight. However, if the vehicle exceeds the ten
13 percent tolerance allowed for any one axle or tandem axle
14 under this paragraph, the fine to be assessed for the axle or
15 tandem axle shall be computed on the difference between the
16 actual weight and the ten percent tolerance weight allowed for
17 the axle or tandem axle under this paragraph. This paragraph
18 applies only to vehicles operating along a route of travel
19 approved by the department.

20 Sec. 2. NEW SECTION. 434.15A EXEMPTION FOR INCREASED USE
21 OF GRAIN CARS.

22 If the number of grain cars used to transport grain from an
23 Iowa site during the 1996 or 1997 calendar year exceeds the
24 number of grain cars used to transport grain from an Iowa site
25 during the 1995 calendar year, the assessed value of railway
26 property taxable in this state which is attributable to the
27 increased number of grain cars is exempt from property taxes
28 payable in the fiscal year beginning in the following calendar
29 year. The assessed valuation attributable to the increased
30 number of grain cars shall be computed pursuant to the method
31 established by the director. The railway may appeal the
32 method for determining the assessed valuation in the same
33 manner as is provided for appealing valuations made by the
34 director on property under this chapter.

35 Sec. 3. Section 434.23, Code 1995, is amended by striking

1 the section and inserting in lieu thereof the following:

2 434.23 RATES -- PURPOSES.

3 1. All of the railway property shall be taxable upon its
4 assessment at the same rates, by the same officers, and for
5 the same purpose as the property of individuals within the
6 counties, cities, townships, and lesser taxing districts,
7 except as provided in subsections 2 and 3.

8 2. The total taxes on railway property of a railway
9 company of all taxing districts in a county which are due and
10 payable in the fiscal year beginning July 1, 1996, July 1,
11 1997, or July 1, 1998, shall not exceed the amount of taxes
12 which were due and payable on railway property of a railway
13 company in the fiscal year beginning July 1, 1995. If the
14 total taxes due and payable in the fiscal year will exceed
15 those taxes due and payable in the fiscal year beginning July
16 1, 1995, the county treasurer shall proportionately reduce the
17 rates of each taxing district so that the total taxes due and
18 payable in the fiscal year do not exceed those due and payable
19 in the fiscal year beginning July 1, 1995.

20 3. The total taxes on railway property of a railway
21 company of all taxing districts in a county which are due and
22 payable in the fiscal year beginning July 1, 1996, as
23 determined pursuant to subsections 1 and 2, shall be reduced
24 by a percentage, not in excess of twenty-five percent, equal
25 to the percentage increase in the number of grain cars used by
26 the railway company to transport grain from an Iowa site
27 during the period January 1, 1996, to April 1, 1996, compared
28 to the number of grain cars used by the railway company to
29 transport grain from an Iowa site during the same period in
30 the 1995 calendar year. However, if the percentage increase
31 in grain cars used is ten percent or more for the first three
32 months of the 1996 calendar year compared to the same period
33 of the 1995 calendar year the percentage reduction in property
34 taxes shall be the greater of fifteen percent or the
35 percentage amount of increase in the number of grain cars

1 derived under this subsection, increased by five percentage
2 points, which reduction in taxes may be a maximum of thirty
3 percent.

4 Sec. 4. NEW SECTION. 434.24 GRAIN CAR REVIEW COMMITTEE.

5 1. A grain car review committee is established consisting
6 of the following:

7 a. An employee of the state department of transportation
8 appointed by the director of transportation who shall be the
9 chairperson.

10 b. A person appointed by the secretary of agriculture.

11 c. An employee of the department of management appointed
12 by the director of the department of management.

13 d. A person appointed by the Iowa institute for
14 cooperatives.

15 e. A person appointed by the governor to represent the
16 railroads.

17 2. The committee shall review the situation relating to
18 the sufficiency of grain cars in the state and the effect of
19 the enactment of section 434.15A and amendments to section
20 434.23 on the availability of grain cars. A report of this
21 review shall be provided each year by January 15 to the
22 governor and general assembly.

23 3. As part of its review under subsection 2, the committee
24 shall analyze the effect on the increase in the gross weight
25 limit by ten percent on trucks which haul grain or livestock.

26 4. This section is repealed January 31, 1999.

27 Sec. 5. This Act, being deemed of immediate importance,
28 takes effect upon enactment.

29 EXPLANATION

30 The bill provides that property taxes payable in fiscal
31 years beginning July 1, 1996, July 1, 1997, and July 1, 1998,
32 by a railway company shall not exceed that paid in the fiscal
33 year beginning July 1, 1995. In addition, the property tax
34 for the fiscal year beginning July 1, 1996, may be reduced, by
35 up to 25 percent, for the percent increase in the number of

1 grain cars used in transporting grain in Iowa between January
2 1, 1996, and April 1, 1996, compared to the same period in
3 1995. The maximum reduction may be 30 percent if the increase
4 is 10 percent during the first three calendar months.

5 The bill increases the maximum gross weight of trucks that
6 transport grain or livestock during the period between January
7 1, 1996, and December 31, 1998, by 10 percent.

8 The bill takes effect upon enactment.

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