

House Study Bill 228

Bill Text

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1 1 Section 1. Section [24.9](#), unnumbered paragraph 1, Code
1 2 1997, is amended to read as follows:
1 3 Each municipality shall file with the secretary or clerk
1 4 thereof the estimates required to be made in sections 24.3 to
1 5 24.8, at least twenty days before the date fixed by law for
1 6 certifying the same to the levying board and shall forthwith
1 7 fix a date for a hearing thereon, and shall publish such
1 8 estimates and any annual levies previously authorized as
1 9 provided in section 76.2, with a notice of the time when and
1 10 the place where such hearing shall be held

~~at least~~

~~not less~~

1 11 than ten nor more than twenty days before the hearing.
1 12 Provided that in municipalities of less than two hundred
1 13 population such estimates and the notice of hearing thereon
1 14 shall be posted in three public places in the district in lieu
1 15 of publication.

1 16 Sec. 2. Section [24.9](#), Code 1997, is amended by adding the
1 17 following new unnumbered paragraph:

1 18 NEW UNNUMBERED PARAGRAPH. The department of management
1 19 shall prescribe the form for public hearing notices for use by
1 20 municipalities.

1 21 Sec. 3. Section [24.17](#), unnumbered paragraph 1, Code 1997,
1 22 is amended to read as follows:

1 23 The local budgets of the various political subdivisions
1 24 shall be certified by the chairperson of the certifying board
1 25 or levying board, as the case may be, in duplicate to the
1 26 county auditor not later than March 15 of each year on

~~blanks~~

1 27 forms, and pursuant to instructions, prescribed by the

~~state~~

1 28

~~board, and according to the rules and instruction which shall~~

1 29

~~be furnished all certifying and levying boards in printed form~~

1 30

~~by the state board or city finance committee in the case of~~

1 31

~~cities~~

~~department of management.~~

~~However, if a city or county~~

1 32

~~holds a special levy election, the certification shall be not~~

1 33

~~later than fourteen days following the special levy election,~~

1 34

~~and if the political subdivision is a school district, as~~

1 35

~~defined in section 257.2, its budget shall be certified not~~

2 1

~~later than April 15 of each year.~~

2 2 Sec. 4. Section [24.27](#), Code 1997, is amended to read as
2 3 follows:

2 4 24.27 PROTEST TO BUDGET.

2 5 Not later than March 25

~~or April 25 if the municipality is~~

2 6

~~a school district~~

-, a number of persons in any municipality

2 7 equal to one-fourth of one percent of those voting for the
2 8 office of governor, at the last general election in the
2 9 municipality, but the number shall not be less than ten, and
2 10 the number need not be more than one hundred persons, who are
2 11 affected by any proposed budget, expenditure or tax levy, or
2 12 by any item thereof, may appeal from any decision of the
2 13 certifying board or the levying board by filing with the
2 14 county auditor of the county in which the municipal
2 15 corporation is located, a written protest setting forth their
2 16 objections to the budget, expenditure or tax levy, or to one
2 17 or more items thereof, and the grounds for their objections.
2 18 If a budget is certified after March 15

~~or April 15 in the~~

2 19

~~case of a school district~~

-, all appeal time limits shall be

2 20 extended to correspond to allowances for a timely filing.
2 21 Upon the filing of a protest, the county auditor shall
2 22 immediately prepare a true and complete copy of the written
2 23 protest, together with the budget, proposed tax levy or
2 24 expenditure to which objections are made, and shall transmit
2 25 them forthwith to the state board, and shall also send a copy
2 26 of the protest to the certifying board or to the levying
2 27 board, as the case may be.

2 28 Sec. 5. Section [76.2](#), unnumbered paragraph 2, Code 1997,
2 29 is amended to read as follows:

2 30 If the resolution is filed prior to April 1

~~or May 1, if~~

2 31

~~the political subdivision is a school district~~

-, the annual

2 32 levy shall begin with the tax levy for collection commencing
2 33 July 1 of that year. If the resolution is filed after April 1
2 34

~~or May 1, in the case of a school district~~

-, the annual levy

2 35 shall begin with the tax levy for collection in the next
3 1 succeeding fiscal year. However, the governing authority of a
3 2 political subdivision may adjust a levy of taxes made under
3 3 this section for the purpose of adjusting the annual levies
3 4 and collections for property severed from the political
3 5 subdivision, subject to the approval of the director of the
3 6 department of management.

3 7 Sec. 6. Section [257.19](#), unnumbered paragraph 2, Code 1997,
3 8 is amended to read as follows:

3 9 Certification of a board's intent to participate for a
3 10 budget year, the method of funding, and the amount to be
3 11 raised shall be made to the department of management not later
3 12 than

~~April~~

- March 15 of the base year. Funding for the

3 13 instructional support program shall be obtained from
3 14 instructional support state aid and from local funding using
3 15 either an instructional support property tax or a combination
3 16 of an instructional support property tax and an instructional
3 17 support income surtax.

3 18 Sec. 7. Section [257.29](#), unnumbered paragraph 2, Code 1997,
3 19 is amended to read as follows:

3 20 The educational improvement program shall provide
3 21 additional revenues each fiscal year equal to a specified
3 22 percent of the regular program district cost of the district,
3 23 as determined by the board but not more than the maximum
3 24 percent authorized by the electors if an election has been
3 25 held. Certification of a district's participation for a
3 26 budget year, the method of funding, and the amount to be
3 27 raised shall be made to the department of management not later
3 28 than

~~April~~

- March 15 of the base year.

3 29 Sec. 8. Section [275.29](#), Code 1997, is amended to read as
3 30 follows:

3 31 275.29 DIVISION OF ASSETS AND LIABILITIES AFTER
3 32 REORGANIZATION.

3 33 Between July 1 and July 20, the board of directors of the
3 34 newly formed school district shall meet with the boards of the
3 35 school districts affected by the organization of the new
4 1 school corporation, including the boards of districts
4 2 receiving territory of the school districts affected, for the
4 3 purpose of reaching joint agreement on an equitable division
4 4 of the assets of the several school corporations or parts of
4 5 school corporations and an equitable distribution of the
4 6 liabilities of the affected corporations or parts of
4 7 corporations. In addition, if outstanding bonds are in
4 8 existence in any district, the initial board of directors of
4 9 the newly formed school district shall meet with the boards of
4 10 all school districts affected prior to

~~April~~

- March 15 prior to

4 11 the school year the reorganization is effective to determine
4 12 the distribution of the bonded indebtedness between the
4 13 districts so that the newly formed district may certify its
4 14 budget under the procedures specified in chapter 24. The
4 15 boards shall consider the mandatory levy required in section
4 16 76.2 and shall assure the satisfaction of outstanding

4 17 obligations of each affected school corporation. If the
4 18 petition includes plans for the distribution of the bonded
4 19 indebtedness, the exclusion of territory from the reorganized
4 20 district does not require action pursuant to this section.
4 21 Sec. 9. Section [279.54](#), unnumbered paragraph 1, Code 1997,
4 22 is amended to read as follows:
4 23 If a majority of those voting in an election approves
4 24 raising the additional enrichment amount for an asbestos
4 25 project under section 279.53 and this section, not later than
4 26

~~April~~

- March 15 of the previous school year the board shall
4 27 certify to the department of management that the required
4 28 procedures have been carried out, the method of funding the
4 29 amount to be raised, and the department of management shall
4 30 establish the amount of additional enrichment property tax to
4 31 be levied or the amount of the combination of the enrichment
4 32 property tax and the amount of enrichment income surtax to be
4 33 imposed for each school year for which the additional
4 34 enrichment amount for an asbestos project is authorized. The
4 35 enrichment property tax and income surtax, if an income surtax
5 1 is imposed, shall be levied and imposed, collected, and paid
5 2 to the school district in the manner provided for the
5 3 instructional support program in sections 257.21 through
5 4 257.26.
5 5 Sec. 10. Section [298.2](#), subsection 2, Code 1997, is
5 6 amended to read as follows:
5 7 2. The board of directors of a school district may certify
5 8 for levy by

~~April~~

- March 15 of a school year a tax on all
5 9 taxable property in the school district for the regular
5 10 physical plant and equipment levy.
5 11 Sec. 11. Section [298.2](#), subsection 3, unnumbered paragraph
5 12 2, Code 1997, is amended to read as follows:
5 13 If a combination of a property tax and income surtax is
5 14 used, by

~~April~~

- March 15 of the previous school year, the board
5 15 shall certify the percent of the income surtax to be imposed
5 16 and the amount to be raised to the department of management
5 17 and the department of management shall establish the rate of
5 18 the property tax and income surtax for the school year. The
5 19 physical plant and equipment property tax and income surtax
5 20 shall be levied or imposed, collected, and paid to the school
5 21 district in the manner provided for the instructional support
5 22 program in sections 257.21 through 257.26.
5 23 Sec. 12. Section [298.4](#), unnumbered paragraph 1, Code 1997,
5 24 is amended to read as follows:
5 25 The board of directors of a school district may certify for
5 26 levy by

~~April~~

- March 15 of a school year, a tax on all taxable
5 27 property in the school district for a district management
5 28 levy. The revenue from the tax levied in this section shall
5 29 be placed in the district management levy fund of the school
5 30 district. The district management levy shall be expended only
5 31 for the following purposes:
5 32 Sec. 13. Section [298.10](#), Code 1997, is amended to read as
5 33 follows:
5 34 298.10 LEVY FOR CASH RESERVE.
5 35 The board of directors of a school district may certify for
6 1 levy by

~~April~~

- March 15 of a school year, a tax on all taxable
6 2 property in the school district in order to raise an amount
6 3 for a necessary cash reserve for a school district's general
6 4 fund. The amount raised for a necessary cash reserve does not
6 5 increase a school district's authorized expenditures as
6 6 defined in section 257.7.
6 7 Sec. 14. Section [300.2](#), unnumbered paragraph 2, Code 1997,
6 8 is amended to read as follows:
6 9 If a majority of the votes cast upon the proposition is in
6 10 favor of the proposition, the board shall certify the amount
6 11 required for a fiscal year to the county board of supervisors
6 12 by

~~April~~

- March 15 of the preceding fiscal year. The board of
6 13 supervisors shall levy the amount certified. The amount shall
6 14 be placed in the public education and recreation levy fund of
6 15 the district and shall be used only for the purposes specified
6 16 in this chapter.
6 17 Sec. 15. Section [331.403](#), subsection 1, Code 1997, is
6 18 amended to read as follows:
6 19 1. Not later than

~~October~~

- December 1 of each year on forms
6 20 and pursuant to instructions prescribed by the department of
6 21 management, a county shall prepare an annual financial report
6 22 showing for each county fund the financial condition as of
6 23 June 30 and the results of operations for the year then ended.
6 24 Copies of the report shall be maintained as a public record at
6 25 the auditor's office and shall be

~~furnished to~~

- filed with the
6 26 director of the department of management and

~~to~~

- with the
6 27 auditor of state by December 1. A summary of the report, in a
6 28 form prescribed by the director, shall be published by each
6 29 county not later than

~~October~~

- December 1 of each year in one
6 30 or more newspapers which meet the requirements of section
6 31 618.14.
6 32 Sec. 16. Section [331.403](#), subsection 3, Code 1997, is
6 33 amended by striking the subsection and inserting in lieu
6 34 thereof the following:
6 35 3. A county that fails to meet the filing deadline imposed
7 1 by this section shall have withheld from payments to be made
7 2 to the county pursuant to chapter 405A an amount equal to five
7 3 cents per capita until the financial report is filed.
7 4 Sec. 17. Section [331.434](#), subsection 3, Code 1997, is
7 5 amended to read as follows:
7 6 3. The board shall set a time and place for a public
7 7 hearing on the budget before the final certification date and
7 8 shall publish notice of the hearing not less than ten nor more
7 9 than twenty days prior to the hearing in the county newspapers
7 10 selected under chapter 349. A summary of the proposed budget,
7 11 in the form prescribed by the director of the department of
7 12 management, shall be included in the notice. Proof of
7 13 publication shall be filed with and preserved by the auditor.
7 14 A levy is not valid unless and until the notice is published
7 15 and filed. The department of management shall prescribe the

7 16 form for the public hearing notice for use by counties.

7 17 Sec. 18. Section [331.434](#), Code 1997, is amended by adding
7 18 the following new subsection:

7 19 NEW SUBSECTION. 7. Taxes levied by a county whose budget
7 20 is certified after March 15 shall be limited to the prior
7 21 year's budget amount. However, this penalty may be waived by
7 22 the director of the department of management if the county
7 23 demonstrates that the March 15 deadline was missed because of
7 24 circumstances beyond the control of the county.

7 25 Sec. 19. Section [331.439](#), subsection 1, paragraph a, Code
7 26 1997, is amended to read as follows:

7 27 a. The county accurately reported by

~~October 15~~

~~December 1~~

7 28 the county's expenditures for mental health, mental
7 29 retardation, and developmental disabilities services for the
7 30 previous fiscal year on forms prescribed by the department of
7 31 human services.

7 32 Sec. 20. Section [384.16](#), subsection 3, Code 1997, is
7 33 amended to read as follows:

7 34 3. The council shall set a time and place for public
7 35 hearing on the budget before the final certification date and
8 1 shall publish notice of the hearing not less than ten nor more
8 2 than twenty days before the hearing

~~as provided in section~~

8 3

~~362.3~~

~~in a newspaper published at least once weekly and having~~

8 4 general circulation in the city. However, if the city has a
8 5 population of two hundred or less, publication may be made by
8 6 posting in three public places in the city. A summary of the
8 7 proposed budget shall be included in the notice. Proof of
8 8 publication must be filed with the county auditor. The
8 9 department of management shall prescribe the form for the
8 10 public hearing notice for use by cities.

8 11 Sec. 21. Section [384.16](#), Code 1997, is amended by adding
8 12 the following new subsection:

8 13 NEW SUBSECTION. 6. Taxes levied by a city whose budget is
8 14 certified after March 15 shall be limited to the prior year's
8 15 budget amount. However, this penalty may be waived by the
8 16 director of the department of management if the city
8 17 demonstrates that the March 15 deadline was missed because of
8 18 circumstances beyond the control of the city.

8 19 Sec. 22. Section [445.5](#), Code 1997, is amended to read as
8 20 follows:

8 21 445.5 STATEMENT AND RECEIPT.

8 22 1. As soon as practicable after receiving the tax list
8 23 prescribed in chapter 443, the treasurer shall deliver to the
8 24 taxpayer a statement of taxes due and payable which shall
8 25 include the following information:

8 26 a. The year of tax.

8 27 b. A description of the parcel.

8 28 c. The assessed value of the parcel, itemized by the value
8 29 for land, dwellings, and buildings, for the current year and
8 30 the previous year as valued by the assessor after application
8 31 of any equalization orders.

8 32 d. The taxable value of the parcel, itemized by the value
8 33 for land, dwellings, and buildings, for the current year and
8 34 the previous year after application of any equalization
8 35 orders, assessment limitations, and itemized valuation
9 1 exemptions.

9 2 e. The complete name of all taxing authorities receiving a
9 3 tax distribution, the amount of the distribution, and the

9 4 percentage distribution for each named authority, listed from
9 5 the highest to the lowest distribution percentage.

9 6 f. The consolidated levy rate for one thousand dollars of
9 7 taxable valuation multiplied by the taxable valuation to
9 8 produce the gross taxes levied before application of credits
9 9 against levied taxes for the previous and current fiscal
9 10 years.

9 11 g. The itemized credits against levied taxes deducted from
9 12 the gross taxes levied in order to produce the net taxes owned
9 13 for the previous and current fiscal years.

9 14 h. The amount of property tax dollars reduced on each
9 15 parcel as a result of the moneys received from the property
9 16 tax relief fund pursuant to section 426B.2, subsections 1 and
9 17 3.

9 18 i. The total amount of taxes levied by each taxing
9 19 authority in the previous fiscal year and the current fiscal
9 20 year, the dollar amount difference between the two amounts,
9 21 and that same difference expressed as a percentage increase or
9 22 decrease.

9 23 If the person receiving the statement is not the
9 24 titleholder of record or contract holder of record of the
9 25 parcel, that person shall pay a fee at the rate of two dollars
9 26 per parcel for each year. The treasurer shall at the same
9 27 time deliver to the titleholder of record or contract holder
9 28 of record a copy of the statement.

9 29 2. The county treasurer shall deliver to the taxpayer a
9 30 receipt stating the year of tax, date of payment, a
9 31 description of the parcel, and the amount of taxes, interest,
9 32 fees, and costs paid except when payment of taxes is made by
9 33 check, then a receipt shall be issued only upon request. The
9 34 receipt shall be in full of the first half, second half, or
9 35 full year amounts unless a payment is made under section
10 1 445.36A or 435.24, subsection 6.

10 2 Sec. 23. APPLICABILITY DATE. This Act applies to budgets
10 3 prepared for fiscal years beginning on or after July 1, 1998.

10 4 EXPLANATION

10 5 This bill makes numerous changes relating to property taxes
10 6 and local budget practices.

10 7 The bill moves the budget certification deadline for
10 8 schools from April 15 to March 15. The bill also provides
10 9 that cities and counties whose budget is certified after March
10 10 15 shall be limited to the prior year's certification amount.

10 11 The bill provides that the department of management shall
10 12 prescribe the forms for budgets certified to the county
10 13 auditor and for the public hearing notice on the budget for
10 14 use by cities and counties.

10 15 The publication deadline for the county annual financial
10 16 report is changed from October 1 to December 1. The bill also
10 17 provides that the department of management shall prescribe the
10 18 form for the annual financial report. The bill prescribes a
10 19 monetary withholding penalty for late filing of the report.

10 20 The bill also requires that a property tax statement be
10 21 delivered to the taxpayer. The bill specifies additional
10 22 comparative information that must be included on the property
10 23 tax statement.

10 24 The bill applies to budgets prepared for fiscal years
10 25 beginning on or after July 1, 1998.

10 26 LSB 2709HC 77

10 27 sc/cf/24