

1.22.98 W.M.
3/3/98 Amend/Do Pass w/ H 8165

FILED JAN 22 1998
3/3/98 Amend/Do Pass w/ H 8801

SENATE FILE 2061
BY COMMITTEE ON WAYS
AND MEANS

(SUCCESSOR TO SSB 2021)

(p. 1391)
Passed Senate, Date 4/20/98
Vote: Ayes 48 Nays 0
Approved _____

(p. 1778)
Passed House, Date 4/20/98
Vote: Ayes 85 Nays 8

Passed 4-21-98
Vote 91-1

A BILL FOR

1 An Act relating to a delay in implementing the inclusion of
2 certain information on property tax statements by providing a
3 deferral application process and providing an effective date.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 2061

1 Section 1. REPORT TO TASK FORCE TO STUDY STATE AND LOCAL
2 TAXATION. By October 1, 1998, representatives of the Iowa
3 state treasurers association shall furnish a report to the
4 task force, established by the legislative council, to study
5 Iowa's system of state and local taxation. The report shall
6 recommend a process by which counties and the state can
7 achieve the goal of providing a uniform tax statement design
8 to be used statewide for tax statements issued for the fiscal
9 year beginning July 1, 1999, and all subsequent fiscal years.

10 Sec. 2. Section 445.5, subsection 1, unnumbered paragraph
11 2, Code Supplement 1997, is amended to read as follows:

12 If the person receiving the statement is not the
13 titleholder of record or contract holder of record of the
14 parcel, that person shall pay a fee at the rate of two dollars
15 per parcel for each year. The treasurer shall ~~at-the-same~~
16 time deliver to the titleholder of record or contract holder
17 of record a copy of the statement when the statement is
18 provided to someone other than the titleholder or contract
19 holder of record for the purpose of paying property taxes due.
20 However, for a list of tax statements requested as one
21 document, whether prepared electronically or otherwise, the
22 treasurer may negotiate a reasonable fee for the cost of
23 preparing the document.

24 Sec. 3. NEW SECTION. 445.6 APPLICATION TO WAIVE TAX
25 STATEMENT REQUIREMENTS.

26 For the fiscal years beginning July 1, 1998, July 1, 1999,
27 and July 1, 2000, a county may apply to the director of the
28 department of management for a deferral in implementing the
29 property tax statement format requirements of section 445.5,
30 subsection 1, paragraphs "a" through "i". For the fiscal year
31 beginning July 1, 1998, the application for deferral must be
32 received by the department within thirty days of enactment of
33 this Act. For the fiscal year beginning July 1, 1999, the
34 application for deferral must be received by the department on
35 or before January 1, 1999. For the fiscal year beginning July

1 1, 2000, the application for deferral must be received by the
2 department on or before January 1, 2000.

3 An application for deferral must outline in detail the
4 reason why the county is requesting the deferral and why the
5 county is unable to substantially comply with the tax
6 statement format requirements of section 445.5, subsection 1.
7 When reviewing a county's application, the director shall,
8 among other factors, consider whether or not the county
9 contracts with, or otherwise uses the services of, accounting
10 vendors or computer software vendors who have software that
11 will facilitate the timely implementation of the tax statement
12 format requirements of section 445.5, subsection 1. A
13 presumption arises that these counties are capable of
14 complying with the property tax statement format requirements
15 of section 445.5, subsection 1. The director shall notify the
16 county treasurer of the director's decision within thirty days
17 of receipt of a deferral application from the county. If the
18 director grants a deferral to a county, application of the
19 property tax statement format requirements of section 445.5,
20 subsection 1, is waived for that county.

21 A county granted a deferral pursuant to this section shall,
22 for the fiscal year for which the deferral is granted, provide
23 with the tax statement an enclosure detailing comparative
24 property tax data for each taxing authority in the county.
25 The comparative data shall include the total amount of taxes
26 levied by each taxing authority in the previous fiscal year
27 and the current fiscal year, the dollar amount difference
28 between the two amounts, and that same difference expressed as
29 a percentage increase or decrease. The treasurer shall also
30 publish the comparative data in each official newspaper in the
31 county as determined pursuant to chapter 349. The comparative
32 data enclosure and publication shall also contain a statement
33 that the county received from the state a deferral from the
34 timely implementation of the tax statement format
35 requirements.

1 For the purposes of this section and section 445.5, "taxing
2 authority" means a public body which has the authority to
3 certify a tax to be levied, including townships, school
4 districts, cities, and counties.

5 Sec. 4. This Act, being deemed of immediate importance,
6 takes effect upon enactment.

7 EXPLANATION

8 House File 726, enacted in 1997, required county treasurers
9 to send a tax statement to the taxpayer and to the titleholder
10 or contract holder of record. The legislation also required
11 that the tax statement contain specified comparative
12 information.

13 This bill requires representatives of the Iowa state
14 treasurers association to report to the legislative council's
15 task force on Iowa's system of state and local taxation on the
16 various impacts of requiring counties to include comparative
17 tax information on the property tax statement.

18 The bill also allows a county to defer implementation of
19 the property tax statement comparative data requirements for
20 fiscal years 1998-1999, 1999-2000, and 2000-2001 by filing an
21 application for deferral with the department of management.
22 For the fiscal year beginning July 1, 1998, the application
23 for deferral must be received within 30 days of the effective
24 date of this bill. For the fiscal year beginning July 1,
25 1999, the application must be received on or before January 1,
26 1999. For the fiscal year beginning July 1, 2000, the
27 application must be received on or before January 1, 2000.

28 The bill defines taxing authority to mean a public body which
29 has the authority to certify a tax to be levied, including
30 townships, school districts, cities, and counties.

31 The bill also allows the county treasurer to negotiate a
32 fee for tax lists requested which contain tax statement
33 information for multiple parcels.

34 The bill takes effect upon enactment.

35

SENATE FILE 2061

H-8801

- 1 Amend Senate File 2061 as follows:
2 1. Page 1, by inserting before line 24, the
3 following:
4 "Sec. ____ . Section 445.5, subsection 1, unnumbered
5 paragraph 1, Code Supplement 1997, is amended to read
6 as follows:
7 As soon as practicable after receiving the tax list
8 prescribed in chapter 443, the treasurer shall deliver
9 to the taxpayer titleholder a statement of taxes due
10 and payable which shall include the following
11 information:
12 Sec. ____ . Section 445.5, subsection 1, unnumbered
13 paragraph 2, Code Supplement 1997, is amended by
14 striking the paragraph and inserting in lieu thereof
15 the following:
16 2. The county treasurer shall each year, upon
17 request and without charge, deliver to the following
18 persons or entities, or their duly authorized agents,
19 a copy of the tax statement or a list of statements by
20 parcel:
21 a. Contract purchaser.
22 b. Lessee.
23 c. Mortgagee.
24 d. Financial institution organized or chartered or
25 holding an authorization certificate pursuant to
26 chapter 524, 533, or 534.
27 e. Federally chartered financial institution.
28 3. A person other than those listed in subsection
29 2, who requests a tax statement or list of tax
30 statements by parcel, shall pay a fee to the treasurer
31 at a rate not to exceed two dollars per parcel."
32 2. Title page, line 1, by inserting after the
33 word "to" the following: "property tax statements and
34 to".
35 3. By renumbering as necessary.

By COMMITTEE ON WAYS AND MEANS
BY DINKLA of Guthrie, Chairperson

H-8801 FILED MARCH 31, 1998

Adopted 4/20/98 (P 1776)

SENATE FILE 2061

H-9002

- 1 Amend the amendment, H-8801, to Senate File 2061,
2 as passed by the Senate, as follows:
3 1. Page 1, line 17, by striking the words
4 "without charge" and inserting the following: "for a
5 reasonable fee negotiated by the treasurer".

By HUSER of Polk

H-9002 FILED APRIL 8, 1998

Order 4/20/98 (P 1776)

H-8348

1 Amend Senate File 2061, as passed by the Senate, as
2 follows:
3 1. Page 2, by striking lines 29 through 35 and
4 inserting the following: "a percentage increase or
5 decrease."

By HUSER of Polk

H-8348 FILED MARCH 11, 1998

Adopted 4/20/98 (p. 1777)

SENATE FILE 2061

H-8165

1 Amend Senate File 2061, as passed by the Senate, as
2 follows:
3 1. Page 1, by striking lines 26 and 27 and
4 inserting the following:
5 "For the fiscal years beginning July 1, 1998, and
6 July 1, 1999, a county may apply to the director of
7 the".
8 2. By striking page 1, line 35, through page 2,
9 line 2, and inserting the following: "or before
10 January 1, 1999."
11 3. Page 3, by striking lines 3 and 4 and
12 inserting the following: "certify a tax to be
13 levied."

By COMMITTEE ON LOCAL GOVERNMENT
VANDE HOEF of Osceola, Chairperson

H-8165 FILED MARCH 3, 1998

Adopted

SENATE AMENDMENT TO
HOUSE AMENDMENT TO
SENATE FILE 2061

H-9326

- 1 Amend the House amendment, S-5762, to Senate File
2 2061, as passed by the Senate, as follows:
3 1. Page 1, by striking lines 43 through 45 and
4 inserting the following:
5 "___". Page 2, by striking lines 29 through 31 and
6 inserting the following: "a percentage increase or
7 decrease. The comparative."
8 2. Page 1, by inserting before line 46 the
9 following:
10 "___". Page 2, line 32, by striking the words "and
11 publication".
12 3. By renumbering as necessary.

RECEIVED FROM THE SENATE

H-9326 FILED APRIL 20, 1998

House Concurred
4-21-98
(P. 1868)

SENATE FILE 2061

H-9033

1 Amend the amendment, H-8801, to Senate File 2061,
2 as passed by the Senate, as follows:
3 1. Page 1, line 2, by striking the words
4 "inserting before line 24," and inserting the
5 following: "striking lines 10 through 23 and
6 inserting".
7 2. Page 1, line 17, by striking the words "and
8 without charge".
9 3. Page 1, by striking lines 19 and 20 and
10 inserting the following: "a copy of the tax statement
11 or tax statement information:"
12 4. Page 1, by inserting after line 27 the
13 following:
14 "The treasurer may negotiate and charge a
15 reasonable fee not to exceed the cost of producing the
16 information for the requestor for a tax statement or
17 tax statement information provided by the treasurer."
18 5. Page 1, by striking lines 29 and 30 and
19 inserting the following: "2, who requests a tax
20 statement or tax statement information, shall pay a
21 fee to the treasurer".

By DIX of Butler

H-9033 FILED APRIL 8, 1998

Adopted 4/20/98 (p. 1776)

SENATE FILE 2061

H-9121

1 Amend the amendment, H-8801, to Senate File 2061,
2 as passed by the Senate, as follows:
3 1. Page 1, line 2, by striking the words
4 "inserting before line 24," and inserting the
5 following: "striking lines 10 through 23 and
6 inserting".
7 2. Page 1, line 17, by striking the words "and
8 without charge".
9 3. Page 1, by striking lines 19 and 20 and
10 inserting the following: "a copy of the tax statement
11 or tax statement information:"
12 4. Page 1, by inserting after line 27 the
13 following:
14 "The treasurer may negotiate and charge a
15 reasonable fee not to exceed the cost of producing the
16 information for the requestor for a tax statement or
17 tax statement information provided by the treasurer."
18 5. Page 1, by striking lines 29 and 30 and
19 inserting the following: "2, who requests a tax
20 statement or tax statement information, shall pay a
21 fee to the treasurer".

By HUSER of Polk

H-9121 FILED APRIL 13, 1998

Order 4/20/98 (p. 1776)

HOUSE AMENDMENT TO
SENATE FILE 2061

S-5762

1 Amend Senate File 2061 as follows:

2 1. Page 1, by striking lines 10 through 23 and
3 inserting the following:

4 "Sec. _____. Section 445.5, subsection 1, unnumbered
5 paragraph 1, Code Supplement 1997, is amended to read
6 as follows:

7 As soon as practicable after receiving the tax list
8 prescribed in chapter 443, the treasurer shall deliver
9 to the taxpayer titleholder a statement of taxes due
10 and payable which shall include the following
11 information:

12 Sec. _____. Section 445.5, subsection 1, unnumbered
13 paragraph 2, Code Supplement 1997, is amended by
14 striking the paragraph and inserting in lieu thereof
15 the following:

16 2. The county treasurer shall each year, upon
17 request, deliver to the following persons or entities,
18 or their duly authorized agents, a copy of the tax
19 statement or tax statement information:

20 a. Contract purchaser.

21 b. Lessee.

22 c. Mortgagee.

23 d. Financial institution organized or chartered or
24 holding an authorization certificate pursuant to
25 chapter 524, 533, or 534.

26 e. Federally chartered financial institution.

27 The treasurer may negotiate and charge a reasonable
28 fee not to exceed the cost of producing the
29 information for the requestor for a tax statement or
30 tax statement information provided by the treasurer.

31 3. A person other than those listed in subsection
32 2, who requests a tax statement or tax statement
33 information, shall pay a fee to the treasurer at a
34 rate not to exceed two dollars per parcel."

35 2. Page 1, by striking lines 26 and 27 and
36 inserting the following:

37 "For the fiscal years beginning July 1, 1998, and
38 July 1, 1999, a county may apply to the director of
39 the".

40 3. By striking page 1, line 35, through page 2,
41 line 2, and inserting the following: "or before
42 January 1, 1999."

43 4. Page 2, by striking lines 29 through 35 and
44 inserting the following: "a percentage increase or
45 decrease."

46 5. Page 3, by striking lines 3 and 4 and
47 inserting the following: "certify a tax to be
48 levied."

49 6. Title page, line 1, by inserting after the
50 word "to" the following: "property tax statements and

S-5762

S-5762

Page 2

1 to".

2 7. By renumbering, relettering, or redesignating
3 and correcting internal references as necessary.

RECEIVED FROM THE HOUSE

S-5762 FILED APRIL 20, 1998

CONCURRED

(P.1390)

SENATE FILE 2061

S-5766

1 Amend the House amendment, S-5762, to Senate File

2 2061, as passed by the Senate, as follows:

3 1. Page 1, by striking lines 43 through 45 and

4 inserting the following:

5 "____. Page 2, by striking lines 29 through 31 and

6 inserting the following: "a percentage increase or

7 decrease. The comparative".

8 2. Page 1, by inserting before line 46 the

9 following:

10 "____. Page 2, line 32, by striking the words "and

11 publication".

12 3. By renumbering as necessary.

By JOANN DOUGLAS

S-5766 FILED APRIL 20, 1998

ADOPTED

(P.1390)

**SENATE FILE 2061
FISCAL NOTE**

A fiscal note for **Amendment H-8801 to Senate File 2061** is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Amendment H-8801 to Senate File 2061 changes the number of entities in which a county treasurer is required to send a statement of taxes. Current law requires a county treasurer to deliver a statement of taxes to each taxpayer without charge and permits a charge up to \$2.00 per statement to any other entity or person.

Amendment H-8801 adds lessees, any bank, any credit union, any savings and loan, and any federally chartered financial institution to the list of which a county treasurer is required to provide a tax statement without charge.

ASSUMPTIONS

1. There are 2.5 million parcels of land in the State.
2. Twenty-five percent of the parcels are held by financial institutions which would receive tax statements without charge, or 625,000 parcels of land.
3. Counties charge \$2.00 for each statement delivered beyond the required taxpayer tax statement under current law.
4. Only banks, credit unions, and savings and loans holding mortgages would request tax statements for affected parcels of land.

FISCAL IMPACT

Amendment H-8801 to SF 2061 is expected to decrease revenue to the counties by \$1.25 million annually.

(LSB 3691sv, SLL)

FILED APRIL 8, 1998

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 2061

AN ACT

RELATING TO PROPERTY TAX STATEMENTS AND TO A DELAY IN
IMPLEMENTING THE INCLUSION OF CERTAIN INFORMATION ON
PROPERTY TAX STATEMENTS BY PROVIDING A DEFERRAL
APPLICATION PROCESS AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. REPORT TO TASK FORCE TO STUDY STATE AND LOCAL TAXATION. By October 1, 1998, representatives of the Iowa state treasurers association shall furnish a report to the task force, established by the legislative council, to study Iowa's system of state and local taxation. The report shall recommend a process by which counties and the state can achieve the goal of providing a uniform tax statement design to be used statewide for tax statements issued for the fiscal year beginning July 1, 1999, and all subsequent fiscal years.

Sec. 2. Section 445.5, subsection 1, unnumbered paragraph 1, Code Supplement 1997, is amended to read as follows:

As soon as practicable after receiving the tax list prescribed in chapter 443, the treasurer shall deliver to the taxpayer titleholder a statement of taxes due and payable which shall include the following information:

Sec. 3. Section 445.5, subsection 1, unnumbered paragraph 2, Code Supplement 1997, is amended by striking the paragraph and inserting in lieu thereof the following:

2. The county treasurer shall each year, upon request, deliver to the following persons or entities, or their duly authorized agents, a copy of the tax statement or tax statement information:

- a. Contract purchaser.
- b. Lessee.
- c. Mortgagee.
- d. Financial institution organized or chartered or holding an authorization certificate pursuant to chapter 524, 533, or 534.
- e. Federally chartered financial institution.

The treasurer may negotiate and charge a reasonable fee not to exceed the cost of producing the information for the requestor for a tax statement or tax statement information provided by the treasurer.

3. A person other than those listed in subsection 2, who requests a tax statement or tax statement information, shall pay a fee to the treasurer at a rate not to exceed two dollars per parcel.

Sec. 4. NEW SECTION. 445.6 APPLICATION TO WAIVE TAX STATEMENT REQUIREMENTS.

For the fiscal years beginning July 1, 1998, and July 1, 1999, a county may apply to the director of the department of management for a deferral in implementing the property tax statement format requirements of section 445.5, subsection 1, paragraphs "a" through "i". For the fiscal year beginning July 1, 1998, the application for deferral must be received by the department within thirty days of enactment of this Act.

For the fiscal year beginning July 1, 1999, the application for deferral must be received by the department on or before January 1, 1999.

An application for deferral must outline in detail the reason why the county is requesting the deferral and why the county is unable to substantially comply with the tax statement format requirements of section 445.5, subsection 1. When reviewing a county's application, the director shall, among other factors, consider whether or not the county contracts with, or otherwise uses the services of, accounting vendors or computer software vendors who have software that will facilitate the timely implementation of the tax statement format requirements of section 445.5, subsection 1. A presumption arises that these counties are capable of complying with the property tax statement format requirements of section 445.5, subsection 1. The director shall notify the county treasurer of the director's decision within thirty days of receipt of a deferral application from the county. If the director grants a deferral to a county, application of the property tax statement format requirements of section 445.5, subsection 1, is waived for that county.

A county granted a deferral pursuant to this section shall, for the fiscal year for which the deferral is granted, provide with the tax statement an enclosure detailing comparative property tax data for each taxing authority in the county. The comparative data shall include the total amount of taxes levied by each taxing authority in the previous fiscal year and the current fiscal year, the dollar amount difference between the two amounts, and that same difference expressed as a percentage increase or decrease. The comparative data enclosure shall also contain a statement that the county received from the state a deferral from the timely implementation of the tax statement format requirements.

For the purposes of this section and section 445.5, "taxing authority" means a public body which has the authority to certify a tax to be levied.

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

MARY E. KRAMER
President of the Senate

RON J. CORBETT
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2061, Seventy-seventh General Assembly.

Approved May 14, 1998

MARY PAT GUNDERSON
Secretary of the Senate

TERRY E. BRANSTAD
Governor