

1-29-97 W. & M  
2-25-97 Do Pass  
FILED JAN 29 1997

H. 3/6/97 W. & means  
H 3/13/97 Amend + No Pass  
83 (H-1172)

SENATE FILE  
BY FREEMAN

(COMPANION TO HF 9 BY  
VANDE HOEF)

Passed Senate, Date 3/4/97 (p. 473) Passed House, Date 4/24/97  
Vote: Ayes 38 Nays 10 Vote: Ayes 98 Nays 1  
*Re-passed* Approved May 19, 1997  
50-0  
4/28/97 (p. 1511)

A BILL FOR

1 An Act relating to property taxation of property given to the  
2 state or a political subdivision upon which a life estate is  
3 retained.

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

- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22

S.F. 83

1 Section 1. NEW SECTION. 427.2A TAXATION OF LIFE ESTATE  
2 PROPERTY.

3 Real estate donated to the state or a political subdivision  
4 of the state or any agency of the state or political  
5 subdivision, for which the donor retains a life estate, or  
6 provides for another to possess a life estate shall continue  
7 to be subject to property taxation and special assessment to  
8 the same extent as the property was so subject during the  
9 fiscal year in which the donation was made. The real property  
10 shall continue to be taxed until the fiscal year following the  
11 fiscal year during which the life estate terminates. Upon  
12 termination of the life estate, the real estate shall be  
13 subject to taxation as otherwise provided by law.

14 EXPLANATION

15 The bill provides that when real estate is donated as a  
16 gift to the state or a political subdivision of the state, and  
17 the donor provides for the donor or someone else to retain the  
18 use of the property for the remainder of their lives, the real  
19 estate continues to be subject to property tax and special  
20 assessments if the property was so subject prior to the making  
21 of the gift. Once the use for life ceases the property is  
22 then taxed or not taxed based upon the law and the  
23 classification of the property at that time.

24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35

SENATE FILE 83

H-1172

1 Amend Senate File 83, as passed by the Senate, as  
2 follows:

3 1. Page 1, by inserting after line 13 the  
4 following:

5 "This section applies to property donated on or  
6 after July 1, 1992, for purposes of property taxes or  
7 special assessments due and payable in fiscal years  
8 beginning on or after July 1, 1997.

9 Nothing in this section allows or requires the  
10 imposition and collection of property taxes or special  
11 assessments on donated property payable in any fiscal  
12 year during the period beginning July 1, 1992, and  
13 ending June 30, 1997, and nothing in this section  
14 requires the payment of refunds of property taxes or  
15 special assessments paid on donated property in any  
16 fiscal year during the period beginning July 1, 1992,  
17 and ending June 30, 1997."

By COMMITTEE ON WAYS AND MEANS  
DINKLA of Guthrie, Chairperson

H-1172 FILED MARCH 13, 1997

*Adopted 4/24/97 (p. 153)*

HOUSE AMENDMENT TO  
SENATE FILE 83

S-3742

1 Amend Senate File 83, as passed by the Senate, as  
2 follows:

3 1. Page 1, by inserting after line 13 the  
4 following:

5 "This section applies to property donated on or  
6 after July 1, 1992, for purposes of property taxes or  
7 special assessments due and payable in fiscal years  
8 beginning on or after July 1, 1997.

9 Nothing in this section allows or requires the  
10 imposition and collection of property taxes or special  
11 assessments on donated property payable in any fiscal  
12 year during the period beginning July 1, 1992, and  
13 ending June 30, 1997, and nothing in this section  
14 requires the payment of refunds of property taxes or  
15 special assessments paid on donated property in any  
16 fiscal year during the period beginning July 1, 1992,  
17 and ending June 30, 1997."

RECEIVED FROM THE HOUSE

S-3742 FILED APRIL 24, 1997

*Senate concurred 4/28/97 (p. 1511)*



taxes or special assessments paid on donated property in any fiscal year during the period beginning July 1, 1992, and ending June 30, 1997.

SENATE FILE 83

AN ACT  
RELATING TO PROPERTY TAXATION OF PROPERTY GIVEN TO THE  
STATE OR A POLITICAL SUBDIVISION UPON WHICH A LIFE  
ESTATE IS RETAINED.

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

Section 1. NEW SECTION. 427.2A TAXATION OF LIFE ESTATE  
PROPERTY.

Real estate donated to the state or a political subdivision of the state or any agency of the state or political subdivision, for which the donor retains a life estate, or provides for another to possess a life estate shall continue to be subject to property taxation and special assessment to the same extent as the property was so subject during the fiscal year in which the donation was made. The real property shall continue to be taxed until the fiscal year following the fiscal year during which the life estate terminates. Upon termination of the life estate, the real estate shall be subject to taxation as otherwise provided by law.

This section applies to property donated on or after July 1, 1992, for purposes of property taxes or special assessments due and payable in fiscal years beginning on or after July 1, 1997.

Nothing in this section allows or requires the imposition and collection of property taxes or special assessments on donated property payable in any fiscal year during the period beginning July 1, 1992, and ending June 30, 1997, and nothing in this section requires the payment of refunds of property

\_\_\_\_\_  
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 83, Seventy-seventh General Assembly.

Approved May 19, 1997

\_\_\_\_\_  
MARY PAT GUNDERSON  
Secretary of the Senate

\_\_\_\_\_  
TERRY E. BRANSTAD  
Governor