

HSB 150

LOCAL GOVERNMENT

SUCCESS

SF/HF

Arnold, Chair

Van Engelenhoven

Fallon

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON LOCAL GOVERNMENT BILL BY CHAIRPERSON HOUSER)

Passed House, Date _____

Passed Senate, Date _____

Vote: Ayes _____ Nays _____

Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the payment and allocation of the real estate
2 transfer tax.

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

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20002
1172

1 Section 428A.5, Code 1999, is amended to read
2 as follows:

3 428A.5 EVIDENCE OF PAYMENT.

4 The amount of tax imposed by this chapter shall be paid to
5 the county recorder of the county in which the real property
6 is located and the amount received and the initials of the
7 county recorder shall appear on the face of the document or
8 instrument. However, in the case of multiple parcels located
9 in different counties, the tax may be paid to one county
10 recorder. This recorder shall allocate the tax to each county
11 based upon the value of the sold parcel located in the county.
12 This allocated amount shall be paid to the county recorder of
13 the appropriate county. The department of revenue and finance
14 shall provide each county recorder with a device to be used by
15 the recorder to evidence this information on the document or
16 instrument.

17 EXPLANATION

18 The real estate transfer tax is collected at the time deeds
19 are recorded. The proceeds are divided 82.75 percent to the
20 state and 17.25 percent to the county. Under present law,
21 when multiple parcels of land from different counties are sold
22 and the tax is paid on the entire amount in one county, that
23 county receives the whole 17.25 percent. The bill requires
24 the tax be paid to each recorder in the county where the
25 parcel is located, or in lieu of that, the tax may be paid to
26 one recorder. In that case, the recorder must allocate the
27 tax to each parcel based upon the value of the parcel. The
28 recorder must pay the allocated amounts to the other
29 recorders. This will permit each county to retain 17.25
30 percent of the allocated amounts.

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MAR 9 1999

WAYS AND MEANS

HOUSE FILE 572
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HSB 150)

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

A BILL FOR

1 An Act relating to the payment and allocation of the real estate
2 transfer tax.

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

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HF 572

1 Section 1. Section 428A.1, unnumbered paragraph 2, Code
2 1999, is amended to read as follows:

3 When each deed, instrument, or writing by which any real
4 property in this state is granted, assigned, transferred, or
5 otherwise conveyed is presented for recording to the county
6 recorder, a declaration of value signed by at least one of the
7 sellers or one of the buyers or their agents shall be
8 submitted to the county recorder. However, if the deed,
9 instrument, or writing contains multiple parcels some of which
10 are located in more than one county, separate declarations of
11 value shall be submitted on the parcels located in each county
12 and submitted to the county recorder of that county when
13 paying the tax as provided in section 428A.5. A declaration
14 of value is not required for those instruments described in
15 section 428A.2, subsections 2 to 5, 7 to 13, and 16 to 21, or
16 described in section 428A.2, subsection 6, except in the case
17 of a federal agency or instrumentality, or if a transfer is
18 the result of acquisition of lands, whether by contract or
19 condemnation, for public purposes through an exercise of the
20 power of eminent domain.

21 Sec. 2. Section 428A.5, Code 1999, is amended to read as
22 follows:

23 428A.5 EVIDENCE OF PAYMENT.

24 The amount of tax imposed by this chapter shall be paid to
25 the county recorder in the county where the real property is
26 located and the amount received and the initials of the county
27 recorder shall appear on the face of the document or
28 instrument. The department of revenue and finance shall
29 provide each county recorder with a device to be used by the
30 recorder to evidence this information on the document or
31 instrument.

32 EXPLANATION

33 The real estate transfer tax is collected at the time deeds
34 are recorded. The proceeds are divided 82.75 percent to the
35 state and 17.25 percent to the county. Under present law,

1 when multiple parcels of land from different counties are sold
2 and the tax is paid on the entire amount in one county, that
3 county receives the whole 17.25 percent. The bill requires
4 the tax be paid to each recorder in the county where the
5 parcel is located. To enable the tax to be paid when a
6 transfer is made involving parcels located in more than one
7 county, separate declarations of values are to be filed with
8 the recorder for parcels located in each county. This will
9 permit each county to retain 17.25 percent of the allocated
10 amounts.

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