

House File 774

Bill Text

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1 1 Section 1. Section [427.1](#), Code 1999, is amended by adding
1 2 the following new subsection:

1 3 NEW SUBSECTION. 30. BARN PRESERVATION. The increase in
1 4 assessed value added to a farm structure as a result of
1 5 improvements made to the farm structure for purposes of
1 6 preserving the integrity of the internal and external features
1 7 of the structure as a barn is exempt from taxation. To be
1 8 eligible for the exemption, the structure must have been first
1 9 placed in service as a barn more than fifty years prior to the
1 10 making of the improvements. The exemption shall apply to the
1 11 assessment year beginning after the completion of the
1 12 improvements to preserve the structure as a barn.

1 13 For purposes of this subsection, "barn" means an
1 14 agricultural structure, in whatever shape or design, which was
1 15 originally used for the storage of farm products or feed or
1 16 for the housing of farm animals, poultry, or farm equipment.

1 17 Application for this exemption shall be filed with the
1 18 assessing authority not later than February 1 of the first
1 19 year for which the exemption is requested, on forms provided
1 20 by the department of revenue and finance. The application
1 21 shall describe and locate the specific structure for which the
1 22 added value is requested to be exempt.

1 23 Once the exemption is granted, the exemption shall continue
1 24 to be granted for subsequent assessment years without further
1 25 filing of applications as long as the structure continues to
1 26 be used as a barn. The taxpayer shall notify the assessing
1 27 authority when the structure ceases to be used as a barn.

1 28 Sec. 2. Section 25B.7 does not apply to the exemption
1 29 granted pursuant to section 1 of this Act.

1 30 EXPLANATION

1 31 The bill provides a property tax exemption for the increase
1 32 in value added to a farm structure resulting from improvements
1 33 made to the structure to preserve it as a barn. The structure
1 34 must have been first placed in service as a barn 50 years ago.
1 35 The exemption is equal to 100 percent of the assessed value
2 1 added and is ongoing until the farm structure ceases to be
2 2 used as a barn. A barn is any agricultural structure used for
2 3 storage of farm products or feed or for the housing of farm
2 4 animals, poultry, or farm equipment.

2 5 LSB 1818YH 78

2 6 mg/gg/8.1