

House Study Bill 707

Bill Text

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1 1 Section 1. Section [422B.1](#), subsection 5, Code Supplement
1 2 1999, is amended to read as follows:
1 3 5. The county commissioner of elections shall submit the
1 4 question of imposition of a local option tax at a state
1 5 general election or at a special election held at any time
1 6 other than the time of a city regular election. The election
1 7 shall not be held sooner than sixty days after publication of
1 8 notice of the ballot proposition. The ballot proposition
1 9 shall specify the type and rate of tax and in the case of a
1 10 vehicle tax the classes that will be exempt and in the case of
1 11 a local sales and services tax the date it will be imposed.
1 12 The ballot proposition shall also specify the approximate
1 13 amount of local option tax revenues that will be used for
1 14 property tax relief and shall contain a statement as to the
1 15 specific purpose or purposes for which the revenues shall
1 16 otherwise be expended. In the case of an unincorporated area
1 17 if the ballot proposition specifies an amount of revenues to
1 18 be used for property tax relief, the ballot proposition shall
1 19 also specify the portion that will be used for rural county
1 20 services and the portion that will be used for general county
1 21 services. If the county board of supervisors decides under
1 22 subsection 6 to specify a date on which the local option sales
1 23 and services tax shall automatically be repealed, the date of
1 24 the repeal shall also be specified on the ballot. The rate of
1 25 the vehicle tax shall be in increments of one dollar per
1 26 vehicle as set by the petition seeking to impose the tax. The
1 27 rate of a local sales and services tax shall not be more than
1 28 one percent as set by the governing body. The state
1 29 commissioner of elections shall establish by rule the form for
1 30 the ballot proposition which form shall be uniform throughout
1 31 the state.
1 32 Sec. 2. Section [422B.1](#), subsection 6, paragraph a,
1 33 unnumbered paragraph 1, Code Supplement 1999, is amended to
1 34 read as follows:
1 35 If a majority of those voting on the question of imposition
2 1 of a local option tax favor imposition of a local option tax,
2 2 the governing body of that county shall impose the tax at the
2 3 rate specified for an unlimited period. However, in the case
2 4 of a local sales and services tax, the county shall not impose
2 5 the tax in any incorporated area or the unincorporated area if
2 6 the majority of those voting on the tax in that area did not
2 7 favor its imposition. For purposes of the local sales and
2 8 services tax, all cities contiguous to each other shall be
2 9 treated as part of one incorporated area and the tax shall be
2 10 imposed in each of those contiguous cities only if the
2 11 majority of those voting on the tax in the total area covered
2 12 by the contiguous cities favored its imposition. The local
2 13 option tax may be repealed or the rate increased or decreased
2 14 or the use thereof changed after an election at which a
2 15 majority of those voting on the question of repeal or rate or
2 16 use change favored the repeal or rate or use change. The
2 17 election at which the question of repeal or rate or use change
2 18 is offered shall be called and held in the same manner and
2 19 under the same conditions as provided in subsections 4 and 5
2 20 for the election on the imposition of the local option tax.
2 21 However, in the case of a local sales and services tax where

2 22 the tax has not been imposed countywide, the question of
2 23 repeal or imposition or rate or use change shall be voted on
2 24 only by the registered voters of the areas of the county where
2 25 the tax has been imposed or has not been imposed, as
2 26 appropriate. However, the governing body of the incorporated
2 27 area or unincorporated area where the local sales and services
2 28 tax is imposed may, upon its own motion, request the county
2 29 commissioner of elections to hold an election in the
2 30 incorporated or unincorporated area, as appropriate, on the
2 31 question of the change in use of local sales and services tax
2 32 revenues. The election may be held at any time but not sooner
2 33 than sixty days following publication of the ballot
2 34 proposition. If a majority of those voting in the
2 35 incorporated or unincorporated area on the change in use favor
3 1 the change, the governing body of that area shall change the
3 2 use to which the revenues shall be used. The ballot
3 3 proposition shall list the present use of the revenues, the
3 4 proposed use, and the date after which revenues received will
3 5 be used for the new use. For purposes of this subsection, a
3 6 "change in use" includes for an unincorporated area a change
3 7 in the portion of property tax relief dollars that will be
3 8 used for rural county services or general county services.

3 9 Sec. 3. Section [422B.10](#), subsection 6, Code Supplement
3 10 1999, is amended to read as follows:

3 11 6. Local sales and services tax moneys received by a city
3 12 or county may be expended for any lawful purpose of the city
3 13 or county. In the case of a county, moneys received which are
3 14 to be used for property tax relief shall be deposited into the
3 15 rural county services fund and general county services fund in
3 16 the proportion specified on the ballot proposition.

3 17 EXPLANATION

3 18 This bill provides that the ballot proposition on the
3 19 imposition of a local option sales and services tax that
3 20 provides that revenues are to be used for property tax relief
3 21 for the unincorporated area of a county shall specify the
3 22 proportion of these revenues that are to provide property tax
3 23 relief for rural county services and for general county
3 24 services. The bill provides that revenues which are to
3 25 provide property tax relief are to be deposited into the rural
3 26 county services fund and the general county services fund in
3 27 the proportion specified on the ballot proposition. The bill
3 28 also provides that a change in use for which an election is to
3 29 be held includes the change in the unincorporated area of the
3 30 proportion of tax revenues used for property tax relief which
3 31 are to be used for rural county services and general county
3 32 services.

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