

FILED MAR 8 1999

SENATE FILE 333
BY SHEARER

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

A BILL FOR

1 An Act relating to the allocation of local option sales tax for
2 school infrastructure revenue, and including an effective date
3 and retroactive applicability provision.

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

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SF 333
WAYS & MEANS

1 Section 1. Section 422E.3, subsection 5, unnumbered
2 paragraph 1, Code 1999, is amended by striking the unnumbered
3 paragraph and inserting in lieu thereof the following:

4 If more than one school district, or a portion of more than
5 one school district, is located within the county, tax
6 receipts shall be remitted to each school district or portion
7 of a school district in which the county tax is imposed in a
8 pro rata share based upon the ratio which the percentage of
9 pupils attending school within the portion of the school
10 district located within the county imposing the tax bears to
11 the percentage of pupils attending school throughout the
12 entire county. The department of education shall report the
13 attendance counts for school districts located in counties
14 imposing the local option sales tax for school infrastructure
15 annually by October 1 to the department of management, which
16 shall determine the applicable attendance percentages and
17 forward the percentages to the director of the department of
18 management by March 1, annually, for purposes of supplying
19 estimated tax payment figures and making estimated tax
20 payments pursuant to this section for the following fiscal
21 year.

22 Sec. 2. EFFECTIVE DATE AND RETROACTIVE APPLICABILITY.
23 This Act, being deemed of immediate importance, takes effect
24 upon enactment and is retroactively applicable to July 1,
25 1998.

26 EXPLANATION

27 This bill relates to the allocation of local option sales
28 tax for school infrastructure revenue. The bill provides that
29 where more than one school district, or a portion of more than
30 one school district, is located within a county, the tax
31 receipts will be allocated based on the ratio which the
32 percentage of pupils attending school within the portion of
33 the school district located within the county imposing the tax
34 bears to the percentage of pupils attending school throughout
35 the entire county. This attendance-based proportion differs

1 from the previous allocation based on the proportion of actual
2 enrollment residing in a school district or portion of a
3 school district. The bill provides that the department of
4 education will report the attendance counts for school
5 districts located in counties imposing the local option sales
6 tax for school infrastructure annually by October 1 to the
7 department of management, which will determine the applicable
8 attendance percentages and forward the percentages to the
9 director of the department of management by March 1, annually,
10 for purposes of supplying estimated tax payment figures and
11 making estimated tax payments pursuant to this section for the
12 following fiscal year.

13 The bill takes effect upon enactment and applies
14 retroactively to July 1, 1998.

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