

FILED FEB 3 1999

SENATE FILE 91

BY RIFE

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to the valuation of residential and agricultural  
2 property by removing the restriction that prevented each class  
3 from increasing in valuation by a greater percentage than the  
4 other and including an applicability date provision.

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

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SF 91  
WAYS & MEANS

1 Section 1. Section 441.21, subsection 4, Code 1999, is  
2 amended to read as follows:

3 4. For valuations established as of January 1, 1979, the  
4 percentage of actual value at which agricultural and  
5 residential property shall be assessed shall be the quotient  
6 of the dividend and divisor as defined in this section. The  
7 dividend for each class of property shall be the dividend as  
8 determined for each class of property for valuations  
9 established as of January 1, 1978, adjusted by the product  
10 obtained by multiplying the percentage determined for that  
11 year by the amount of any additions or deletions to actual  
12 value, excluding those resulting from the revaluation of  
13 existing properties, as reported by the assessors on the  
14 abstracts of assessment for 1978, plus six percent of the  
15 amount so determined. However, ~~if the difference between the~~  
16 ~~dividend so determined for either class of property and the~~  
17 ~~dividend for that class of property for valuations established~~  
18 ~~as of January 1, 1978, adjusted by the product obtained by~~  
19 ~~multiplying the percentage determined for that year by the~~  
20 ~~amount of any additions or deletions to actual value,~~  
21 ~~excluding those resulting from the revaluation of existing~~  
22 ~~properties, as reported by the assessors on the abstracts of~~  
23 ~~assessment for 1978, is less than six percent, the 1979~~  
24 ~~dividend for the other class of property shall be the dividend~~  
25 ~~as determined for that class of property for valuations~~  
26 ~~established as of January 1, 1978, adjusted by the product~~  
27 ~~obtained by multiplying the percentage determined for that~~  
28 ~~year by the amount of any additions or deletions to actual~~  
29 ~~value, excluding those resulting from the revaluation of~~  
30 ~~existing properties, as reported by the assessors on the~~  
31 ~~abstracts of assessment for 1978, plus a percentage of the~~  
32 ~~amount so determined which is equal to the percentage by which~~  
33 ~~the dividend as determined for the other class of property for~~  
34 ~~valuations established as of January 1, 1978, adjusted by the~~  
35 ~~product obtained by multiplying the percentage determined for~~

1 ~~that-year-by-the-amount-of-any-additions-or-deletions-to~~  
2 ~~actual-value,-excluding-those-resulting-from-the-revaluation~~  
3 ~~of-existing-properties,-as-reported-by-the-assessors-on-the~~  
4 ~~abstracts-of-assessment-for-1978,-is-increased-in-arriving-at~~  
5 ~~the-1979-dividend-for-the-other-class-of-property.~~ The  
6 divisor for each class of property shall be the total actual  
7 value of all such property in the state in the preceding year,  
8 as reported by the assessors on the abstracts of assessment  
9 submitted for 1978, plus the amount of value added to said  
10 total actual value by the revaluation of existing properties  
11 in 1979 as equalized by the director of revenue pursuant to  
12 section 441.49. The director shall utilize information  
13 reported on abstracts of assessment submitted pursuant to  
14 section 441.45 in determining such percentage. For valuations  
15 established as of January 1, 1980, and each year thereafter,  
16 the percentage of actual value as equalized by the director of  
17 revenue and finance as provided in section 441.49 at which  
18 agricultural and residential property shall be assessed shall  
19 be calculated in accordance with the methods provided herein  
20 ~~including-the-limitation-of-increases-in-agricultural-and~~  
21 ~~residential-assessed-values-to-the-percentage-increase-of-the~~  
22 ~~other-class-of-property-if-the-other-class-increases-less-than~~  
23 ~~the-allowable-limit-adjusted-to-include-the-applicable-and~~  
24 ~~current-values-as-equalized-by-the-director-of-revenue-and~~  
25 ~~finance,-except-that-any~~ in this subsection. However,  
26 references to six percent in this subsection shall be four  
27 percent.

28 Sec. 2. This Act applies retroactively to January 1, 1999,  
29 for valuations for property tax established on or after that  
30 date.

31 EXPLANATION

32 Under present law, statewide valuations for residential and  
33 agricultural property are limited to an increase from year to  
34 year of 4 percent. In addition, the valuations have been  
35 linked so that one will not increase at a higher rate than the

1 other. This bill removes that link between residential and  
2 agricultural valuations.

3 The bill applies retroactively to valuations established on  
4 or after January 1, 1999.

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