

JAN 3 1 2003

WAYS AND MEANS

HOUSE FILE 99
BY LALK

(COMPANION TO LSB 1721SS
BY BRUNKHORST)

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

A BILL FOR

1 An Act relating to the recycling property exemption from property
2 tax and including an applicability date.

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

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HF 99

1 Section 1. Section 427.1, subparagraph 19, unnumbered
2 paragraph 8, Code 2003, is amended to read as follows:

3 For the purposes of this subsection, "pollution-control
4 property" means personal property or improvements to real
5 property, or any portion thereof, used primarily to control or
6 abate pollution of any air or water of this state or used
7 primarily to enhance the quality of any air or water of this
8 state and "recycling property" means personal property or
9 improvements to real property or any portion of the property,
10 used primarily in the manufacturing process and resulting
11 directly in the conversion of waste plastic, wastepaper
12 products, ~~or~~ waste paperboard, or wood products into new raw
13 materials or products composed primarily of recycled material.
14 In the event such property shall also serve other purposes or
15 uses of productive benefit to the owner of the property, only
16 such portion of the assessed valuation thereof as may
17 reasonably be calculated to be necessary for and devoted to
18 the control or abatement of pollution, to the enhancement of
19 the quality of the air or water of this state, or for
20 recycling shall be exempt from taxation under this subsection.

21 Sec. 2. IMPLEMENTATION OF ACT. Section 25B.7 does not
22 apply to the exemption in section 1 of this Act.

23 Sec. 3. APPLICABILITY. This Act applies to assessment
24 years beginning on or after January 1, 2004.

25 EXPLANATION

26 This bill expands the definition of recycling property for
27 purposes of the exemption from property tax for recycling
28 property. Present law provides that in order for the property
29 to be considered recycling property, the property must be
30 primarily used in the manufacturing process that results
31 directly in the conversion of waste plastic, wastepaper
32 products, or waste paperboard into new raw materials or
33 products. The bill expands this exemption to include property
34 used to convert wood products into new raw materials or
35 products.

1 The bill applies to assessment years beginning on or after
2 January 1, 2004.

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