

FILED FEB 24 '03

SENATE FILE

194

BY McCOY

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to payments from the personal property tax  
2 replacement fund to city-county consolidated governments,  
3 multicounty consolidated governments, and community  
4 commonwealths.

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

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SF 194

WAYS & MEANS

1 Section 1. Section 405A.8, Code 2003, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 1A. a. Before the amount appropriated  
4 under this section is allocated pursuant to the provisions of  
5 this chapter, the amount computed in paragraph "b" shall be  
6 deducted from the appropriation and paid to a city-county  
7 consolidated government formed under sections 331.247 through  
8 331.252, a multicounty consolidated government formed under  
9 sections 331.253 through 331.256, or a community commonwealth  
10 formed under sections 331.260 through 331.263.

11 b. Each year for ten years following the formation of a  
12 city-county consolidated government, multicounty consolidated  
13 government, or a community commonwealth government, each such  
14 government shall be paid an amount equal to five dollars  
15 multiplied by the population of the consolidated government or  
16 commonwealth areas. The amount due each city-county  
17 consolidated government, each multicounty consolidated  
18 government, or each community commonwealth for each fiscal  
19 year shall be paid in the form of a warrant payable to the  
20 treasurer of the respective consolidated or commonwealth  
21 governments by the department of revenue and finance according  
22 to the schedule in section 405A.9.

23 c. The payment made under this subsection is in addition  
24 to the personal property tax replacement allocation due the  
25 city-county consolidated government, multicounty consolidated  
26 government, or the community commonwealth.

27 Sec. 2. Section 427A.12, subsection 1, Code 2003, is  
28 amended to read as follows:

29 1. A personal property tax replacement fund is established  
30 as a permanent fund in the office of the treasurer of state,  
31 for the purpose of reimbursing the taxing districts for their  
32 loss of revenue from personal property taxes due to the  
33 provisions of this chapter, determined as provided in this  
34 section, and for making payments to city-county consolidated  
35 governments, multicounty consolidated governments, and

1 community commonwealths pursuant to section 405A.8.

2 EXPLANATION

3 This bill provides that before the state appropriation to  
4 the personal property tax replacement fund is allocated among  
5 local governments, an amount shall be paid to city-county  
6 consolidated governments, multicounty consolidated  
7 governments, and community commonwealths in addition to the  
8 amount they are allocated under the personal property tax  
9 replacement formula. The amount to be paid to a city-county  
10 consolidated government, a multicounty consolidated  
11 government, or a community commonwealth is equal to \$5 per  
12 capita. The payments are to be paid for 10 years following  
13 formation of the city-county consolidated government,  
14 multicounty consolidated government, or the community  
15 commonwealth.

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