

FILED JAN 15 '03

SENATE FILE  
BY HATCH

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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 and  
3 community commonwealths.

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

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SF 24  
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 or a community commonwealth formed under sections  
9 331.260 through 331.263.

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

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

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

27 1. A personal property tax replacement fund is established  
28 as a permanent fund in the office of the treasurer of state,  
29 for the purpose of reimbursing the taxing districts for their  
30 loss of revenue from personal property taxes due to the  
31 provisions of this chapter, determined as provided in this  
32 section, and for making payments to city-county consolidated  
33 governments and community commonwealths pursuant to section  
34 405A.8.

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EXPLANATION

1 This bill provides that before the state appropriation to  
2 the personal property tax replacement fund is allocated among  
3 local governments, an amount shall be paid to city-county  
4 consolidated governments and community commonwealths in  
5 addition to the amount they are allocated under the personal  
6 property tax replacement formula. The amount to be paid to a  
7 city-county consolidated government or a community  
8 commonwealth is equal to \$5.00 per capita. The payments are  
9 to be paid for 10 years following formation of the city-county  
10 consolidated government or the community commonwealth.

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