

Referred to Senate Ways & Means
4/17/03

LOCAL GOVERNMENT

FILED JAN 22 '03

SENATE FILE 39
BY BRUNKHORST

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

A BILL FOR

1 An Act relating to property tax assessments of subdivided
2 property and providing an applicability date.

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

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SF 39 - Assessment of Platted Lots (LSB 1729 SS)
Analyst: Dwayne Ferguson (Phone: (515) 281-6561) (dwayne.ferguson@legis.state.ia.us)
Fiscal Note Version — New

Description

Senate File 39 removes the three-year time limit that a platted lot is assessed as acreage or unimproved property and extends the time limit until the lot is improved.

Assumptions

Unimproved platted property will continue to be assessed at a lower valuation under this Bill until the lot is actually improved with permanent construction, regardless of time frame.

Fiscal Impact

There is insufficient data to estimate the fiscal impact of SF 39.

Sources

Iowa State Association of Counties
Iowa League of Cities

/s/ Dennis C Prouty

March 18, 2003

SF 39
LOCAL GOVERNMENT

1 Section 1. Section 441.72, Code 2003, is amended to read
2 as follows:

3 441.72 ASSESSMENT OF PLATTED LOTS.

4 When a subdivision plat is recorded pursuant to chapter
5 354, the individual lots within the subdivision plat shall not
6 be assessed in excess of the total assessment of the land as
7 acreage or unimproved property ~~for three years after the~~
8 ~~recording of the plat or~~ until the lot is actually improved
9 with permanent construction, ~~whichever occurs first~~. When an
10 individual lot has been improved with permanent construction,
11 the lot shall be assessed for taxation purposes as provided in
12 chapter 428 and this chapter. This section does not apply to
13 special assessment levies.

14 Sec. 2. APPLICABILITY. This Act applies to assessment
15 years beginning on or after January 1, 2004.

16 EXPLANATION

17 Currently, a platted lot for which a subdivision plat has
18 been recorded will be assessed for property tax purposes as
19 acreage or unimproved property for three years or until the
20 lot is actually improved with permanent construction,
21 whichever occurs first. This bill removes that time limit and
22 provides that a platted lot will be assessed as acreage or
23 unimproved property until the lot is actually improved with
24 permanent construction.

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

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S-3031

1 Amend Senate File 39 as follows:

2 1. Page 1, by striking lines 1 through 13, and
3 inserting the following:
4 "Section 1. Section 441.72, Code 2003, is amended
5 to read as follows:

6 441.72 ASSESSMENT OF PLATTED LOTS.

7 When a subdivision plat is recorded pursuant to
8 chapter 354, the individual lots within the
9 subdivision plat shall not be assessed in excess of
10 the total assessment of the land as acreage or
11 unimproved property for three years after the
12 recording of the plat or until the lot is actually
13 improved with permanent construction or sold,
14 whichever occurs first. However, in cities with a
15 population of less than five thousand, the individual
16 lots within the subdivision plat shall not be assessed
17 in excess of the total assessment of the land as
18 acreage or unimproved property for six years after the
19 recording of the plat or until the lot is actually
20 improved with permanent construction or sold,
21 whichever occurs first.

22 PARAGRAPH DIVIDED. When an individual lot has been
23 improved with permanent construction, the lot shall be
24 assessed for taxation purposes as provided in chapter
25 428 and this chapter. This section does not apply to
26 special assessment levies."

By COMMITTEE ON LOCAL GOVERNMENT
E. THURMAN GASKILL, CHAIRPERSON

S-3031 FILED MARCH 11, 2003
