

Senate Study Bill 3197

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CO=CHAIRPERSON ZIEMAN)

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

A BILL FOR

1 An Act relating to the assessment for property taxation purposes
2 of machinery, equipment, and fixtures used at concrete mixing
3 facilities and including effective date and retroactive
4 applicability date provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6 TLSB 5153XK 81
7 sc/je/5

PAG LIN

1 1 Section 1. Section 427A.1, subsection 1, paragraph c, Code
2 2005, is amended to read as follows:

1 3 c. Buildings, structures or improvements, any of which are
1 4 constructed on or in the land, attached to the land, or placed
1 5 upon a foundation whether or not attached to the foundation.

1 6 However, property taxed under chapter 435 and property that is
1 7 a concrete batch plant as that term is defined in subsection 4
1 8 shall not be assessed and taxed as real property.

1 9 Sec. 2. Section 427A.1, subsection 4, Code 2005, is
1 10 amended to read as follows:

1 11 4. Notwithstanding the definition of "attached" in
1 12 subsection 2, property is not "attached" if ~~it~~ either of the
1 13 following conditions are met:

1 14 a. It is a fixture used for cooking, refrigeration, or
1 15 freezing of value-added agricultural products, used in value=
1 16 added agricultural processing or used in direct support of
1 17 value-added agricultural processing. For purposes of this
1 18 subsection, "direct support" includes storage by public
1 19 refrigerated warehouses for processors of value-added
1 20 agricultural products. Such fixtures shall not be considered
1 21 "attached" whether owned directly by the processor or
1 22 warehouse operator or by another who leases the fixture to the
1 23 processor or warehouse operator. This ~~subsection paragraph~~
1 24 shall not apply to fixtures used primarily for retail sale or
1 25 display.

1 26 b. It is a concrete batch plant. A "concrete batch plant"
1 27 is the machinery, equipment, and fixtures used at a concrete
1 28 mixing facility to process cement dry additive and other raw
1 29 materials into concrete or used in direct support of such
1 30 processing. For purposes of this paragraph, "direct support"
1 31 includes storage of raw materials used in processing. Such
1 32 fixtures shall not be considered "attached" whether owned
1 33 directly by the processor or by another who leases the fixture
1 34 to the processor.

1 35 Sec. 3. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.

2 1 This Act, being deemed of immediate importance, takes effect
2 2 upon enactment and applies retroactively to January 1, 2005,
2 3 for assessment years beginning on or after that date.

2 4 EXPLANATION

2 5 This bill provides that machinery, equipment, and fixtures
2 6 used to process raw materials into concrete at a concrete
2 7 mixing facility are not buildings, structures, and
2 8 improvements that are not assessed and taxed as real property
2 9 for purposes of property taxation. The bill also provides
2 10 that such machinery, equipment, and fixtures are not
2 11 considered attached for purposes of property taxation.

2 12 The bill takes effect upon enactment and applies
2 13 retroactively to assessment years beginning on or after
2 14 January 1, 2005.

2 15 LSB 5153XK 81
2 16 sc:nh/je/5