

House File 2666 - Introduced

HOUSE FILE _____
BY COMMITTEE ON WAYS AND
MEANS

(SUCCESSOR TO HF 2536)

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

A BILL FOR

1 An Act relating to an adjustment in state foundation aid for
2 certain school districts required to repay property taxes and
3 providing an effective date.

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

5 TLSB 6289HV 82

6 sc/nh/5

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1 1 Section 1. Section 257.12, subsection 1, Code 2007, is
1 2 amended to read as follows:
1 3 1. If a school district is required to repay property
1 4 taxes paid for school taxes levied on commercial or industrial
1 5 ~~property originally assessed at five million dollars or more~~
1 6 because the assessment was subsequently reduced by the final
1 7 ~~action of the local board of review, property assessment~~
1 8 ~~appeal board, or judicial action and the amount of the~~
~~1 9 reduction in the assessment equals at least one hundred~~
~~1 10 thousand dollars or two percent of the assessed value of all~~
~~1 11 taxable property in the district prior to the reduction,~~
~~1 12 whichever is less,~~ the school district is eligible for an
1 13 adjustment in state foundation aid. To receive the adjustment
1 14 in state foundation aid, the school district shall apply to
1 15 the department of management prior to the beginning of the
1 16 budget year following the budget year in which the repayment
1 17 of the property taxes occurred. The department of management
1 18 shall determine the amount of adjustment in state foundation
1 19 aid pursuant to subsection 2.

1 20 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
1 21 immediate importance, takes effect upon enactment.

1 22 EXPLANATION

1 23 Current law provides that a school district is eligible for
1 24 an adjustment in state foundation aid if the school district
1 25 is required to repay property taxes on an assessment in excess
1 26 of \$5 million if the assessment was subsequently reduced on
1 27 appeal to the property assessment appeal board or the district
1 28 court, and the amount of the reduction equals at least
1 29 \$100,000 or 2 percent of the property valuation in the school
1 30 district.

1 31 This bill provides that a school district shall be eligible
1 32 for an adjustment in state foundation aid for repayment of
1 33 taxes on a reduction in valuation of any assessment on
1 34 commercial or industrial property, regardless of its original
1 35 assessment and regardless of the amount of the reduction.

2 1 The bill takes effect upon enactment.

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