

Senate File 581 - Introduced

SENATE FILE _____
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 323)

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

A BILL FOR

1 An Act relating to certain property eligible for an exemption
2 from property taxation, providing a refund of property taxes
3 in certain circumstances, and including effective and
4 retroactive applicability date provisions.

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

6 TLSB 1616SV 82

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1 1 Section 1. Section 427.3, Code 2007, is amended to read as
1 2 follows:

1 3 427.3 ABATEMENT OF TAXES OF CERTAIN EXEMPT ENTITIES.

1 4 The board of supervisors may abate the taxes levied against
1 5 property acquired by gift or purchase by a person or entity if
1 6 the property acquired by gift or purchase was transferred to
1 7 the person or entity after the deadline for filing for
1 8 property tax exemption in the year in which the property was
1 9 transferred and the property acquired by gift or purchase
1 10 would have been exempt under section 427.1, subsection 7, 8,
1 11 or 9, if the person or entity had been able to file for
1 12 exemption in a timely manner.

1 13 Sec. 2. REFUND OF PROPERTY TAXES. Notwithstanding the
1 14 deadline for filing a claim for property tax exemption for
1 15 property described in section 427.1, subsection 8 or 9, and
1 16 notwithstanding any other provision to the contrary, the board
1 17 of supervisors of a county having a population based upon the
1 18 latest federal decennial census of more than eighty-eight
1 19 thousand but not more than ninety-five thousand shall refund
1 20 the property taxes paid, with all interest, penalties, fees,
1 21 and costs which were due and payable in the fiscal year
1 22 beginning July 1, 2002, and in the fiscal year beginning July
1 23 1, 2005, on the land and buildings of an institution that
1 24 purchased property and that did not receive a property tax
1 25 exemption for the property due to the inability or failure to
1 26 file for the exemption. To receive the refund provided for in
1 27 this section, the institution shall apply to the county board
1 28 of supervisors by October 1, 2007, and provide appropriate
1 29 information establishing that the land and buildings for which
1 30 the refund is sought were used by the institution for its
1 31 appropriate objectives during the fiscal year beginning July
1 32 1, 2002, and during the fiscal year beginning July 1, 2005.
1 33 The refund allowed under this section only applies to property
1 34 taxes, with all interest, penalties, fees, and costs, due and
1 35 payable in the fiscal year beginning July 1, 2002, and in the
2 1 fiscal year beginning July 1, 2005.

2 2 Sec. 3. IMMEDIATE EFFECTIVE DATE. Section 2 of this Act,
2 3 being deemed of immediate importance, takes effect upon
2 4 enactment and applies retroactively to property taxes due and
2 5 payable in the fiscal year beginning July 1, 2002, and in the
2 6 fiscal year beginning July 1, 2005.

2 7 EXPLANATION

2 8 Current law allows county boards of supervisors to abate
2 9 property taxes levied against property acquired by gift by a
2 10 library or art gallery or by a religious, literary, or
2 11 charitable institution or society or by an educational
2 12 institution if the transfer took place after the deadline for
2 13 filing for a tax exemption, if such entity would have been
2 14 entitled to the tax exemption on the donated property had
2 15 there been a timely filing. This bill includes property of
2 16 such institutions or societies acquired by purchase.

2 17 The bill also requires the board of supervisors of a county
2 18 with a population of more than 88,000 but not more than 95,000
2 19 to refund the property taxes paid by a religious, literary, or
2 20 charitable institution or society or by an educational
2 21 institution for FY 2002=2003 and FY 2005=2006 on property
2 22 purchased by the institution or society if the institution or
2 23 society was unable to or failed to file for a property tax
2 24 exemption in a timely manner for those fiscal years. To
2 25 receive the refund, the institution or society must apply for
2 26 the refund by October 1, 2007. This section of the bill takes
2 27 effect upon enactment and applies retroactively to property
2 28 taxes due and payable in the fiscal year beginning July 1,
2 29 2002, and in the fiscal year beginning July 1, 2005.
2 30 LSB 1616SV 82
2 31 sc:rj/es/88