

House File 287 - Introduced

HOUSE FILE _____
BY PAULSEN

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

A BILL FOR

1 An Act providing a property tax exemption for certain
2 agricultural property affected by a natural disaster and
3 including effective date and retroactive applicability date
4 provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6 TLSB 1064YH 83
7 md/sc/8

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1 1 Section 1. PRODUCTIVITY LOSS EXEMPTION FOR AGRICULTURAL
1 2 PROPERTY AFFECTED BY A NATURAL DISASTER.
1 3 1. For valuations established pursuant to section 441.21,
1 4 subsection 1, paragraphs "e" and "f", for the assessment year
1 5 beginning January 1, 2009, a productivity loss exemption shall
1 6 be available for eligible agricultural property located in any
1 7 county or portion of a county declared a disaster area by the
1 8 governor or a federal official.
1 9 2. Agricultural property is eligible for a productivity
1 10 loss exemption if it was used in the previous year for row
1 11 crop production and has subsequently been rendered unsuitable
1 12 for row crop production due to conditions created by the
1 13 natural disaster. Eligible agricultural property shall be
1 14 measured in acres.
1 15 3. Agricultural property that is eligible for a
1 16 productivity loss exemption shall be included in the aggregate
1 17 actual valuation of agricultural real estate within the
1 18 assessing jurisdiction and included in the jurisdiction's
1 19 agricultural factor calculation, without regard to the
1 20 property's exempt status.
1 21 4. The owner of eligible agricultural property shall
1 22 submit to the director of revenue an application for a
1 23 productivity loss exemption on a form prescribed by the
1 24 director of revenue. The department of revenue may conduct
1 25 field investigations to verify information contained in an
1 26 application.
1 27 Sec. 2. EMERGENCY RULES. The director of revenue may
1 28 adopt emergency rules under section 17A.4, subsection 3, and
1 29 section 17A.5, subsection 2, paragraph "b", to implement the
1 30 provisions of this Act, and the rules shall be effective
1 31 immediately upon filing unless a later date is specified in
1 32 the rules. Any rules adopted in accordance with this section
1 33 shall also be published as a notice of intended action as
1 34 provided in section 17A.4.
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 the assessment
2 3 year beginning January 1, 2009.

EXPLANATION

2 5 This bill creates a property tax exemption for agricultural
2 6 property located in an area declared a disaster area by the
2 7 governor or by a federal official. Agricultural property
2 8 eligible for the exemption is property that was used in the
2 9 previous year for row crop production and has subsequently
2 10 been rendered unsuitable for row crop production due to
2 11 conditions created by the natural disaster.
2 12 The assessment of agricultural property, excluding
2 13 agricultural dwellings, is based exclusively on productivity,
2 14 or net earning capacity per acre, over a five-year period.
2 15 For 2009 assessments, the five-year period includes the years
2 16 2003 through 2007. Measurements of productivity are
2 17 calculated on a countywide basis. Under the bill,
2 18 agricultural property that is eligible for a productivity loss

2 19 exemption is included in those calculations, without regard to
2 20 its exempt status.
2 21 The bill requires owners of eligible agricultural property
2 22 to submit an application to the director of revenue and allows
2 23 the department of revenue to conduct field investigations to
2 24 verify information contained in an application. The bill
2 25 gives the director of revenue emergency rulemaking authority
2 26 to implement the exemption.
2 27 The bill takes effect upon enactment and applies
2 28 retroactively to the assessment year beginning January 1,
2 29 2009.
2 30 LSB 1064YH 83
2 31 md/sc/8