Senate Study Bill 1282

SENATE FILE ______
BY (PROPOSED COMMITTEE ON
JUDICIARY BILL BY
CHAIRPERSON KREIMAN)

Passed Senate, Date ____________ Passed House, Date ____________
Vote: Ayes ______ Nays ________ Vote: Ayes ______ Nays ________
Approved ____________________________

A BILL FOR

An Act to eliminate an obsolete Code section reference in a utility replacement tax allocation of revenue requirement involving new major additions to taxpayer property.
BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 2401SC 83
lh/mg:sc/14

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Section 1. Section 437A.15, subsection 3, paragraph e, Code 2009, is amended to read as follows:

e. Notwithstanding the provisions of this section, if during the tax year a person who was not a taxpayer during the prior tax year acquires a new major addition, as defined in section 437A.3, subsection 18, paragraph "a", subparagraph (4), the replacement tax associated with that major addition shall be allocated, for that tax year, under this section in accordance with the general allocating formula on the basis of the general property tax equivalents established under paragraph "a" of this subsection, except that the levy rates established and reported to the department of management on or before June 30 following the tax year in which the major addition was acquired shall be applied to the prorated assessed value of the major addition ~~and provided that section 437A.19, subsection 2, paragraph "b", subparagraph (2), is in any event applicable~~. For purposes of this paragraph, "prorated assessed value of the major addition" means the assessed value of the major addition as of January 1 of the year following the tax year in which the major addition was acquired multiplied by the percentage derived by dividing the number of months that the major addition existed during the tax year by twelve, counting any portion of a month as a full month.

EXPLANATION

This bill strikes a reference to Code section 437A.19, subsection 2, paragraph "b", subparagraph (2), in a provision relating to allocation of utility replacement tax revenue. Subparagraph (2) of Code section 437A.19, subsection 2, paragraph "b", was stricken as a result of a rewrite of that provision in 2007 Iowa Acts, chapter 150, which made a variety of adjustments in the utility replacement tax law.
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