

House File 2050 - Introduced

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BY BALTIMORE

A BILL FOR

1 An Act establishing a property tax exemption for certain
2 broadband service property and including applicability
3 provisions.

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

1 Section 1. Section 427.1, Code Supplement 2011, is amended
2 by adding the following new subsection:

3 NEW SUBSECTION. 25. *Broadband service property.*

4 a. The value of all cable, lines, wire, conduits, switches,
5 and other similar equipment or fixtures owned by or leased to
6 a telephone or telegraph company, cable television company,
7 commercial mobile radio service company, or other entity if
8 such property is used primarily for providing broadband service
9 and was installed on or after January 1, 2013.

10 b. For purposes of this subsection, "broadband service"
11 means providing two-way data transmission with advertised
12 speeds that exceed seven hundred sixty-eight kilobits per
13 second downstream and at least two hundred kilobits per second
14 upstream to end users.

15 Sec. 2. IMPLEMENTATION OF ACT. Section 25B.7 shall not
16 apply to this Act.

17 Sec. 3. APPLICABILITY. This Act applies to assessment years
18 beginning on or after January 1, 2013.

19 EXPLANATION

20 This bill establishes a property tax exemption for the
21 value of all cable, lines, wire, conduits, switches, and other
22 similar equipment or fixtures owned by telephone or telegraph
23 companies, cable television companies, commercial mobile radio
24 service companies, or other entities if such property is used
25 primarily for providing broadband service and is installed on
26 or after January 1, 2013. The bill defines "broadband service"
27 as providing two-way data transmission with advertised speeds
28 that exceed 768 kilobits per second downstream and at least 200
29 kilobits per second upstream to end users.

30 The bill provides that the provisions in Code section 25B.7,
31 relating to the obligation of the state to reimburse local
32 jurisdictions for property tax credits and exemptions, do not
33 apply to the exemption in the bill.

34 The bill applies to assessment years beginning on or after
35 January 1, 2013.