

**House Study Bill 225 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
WAYS AND MEANS BILL BY  
CHAIRPERSON SANDS)

**A BILL FOR**

1 An Act relating to property assessment and property taxation by  
2 creating a recreational class of property and specifying an  
3 assessment limitation for recreational property.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 441.21, subsection 8, paragraph b, Code  
2 2011, is amended to read as follows:

3 b. Notwithstanding paragraph "a", any construction or  
4 installation of a solar energy system on property classified  
5 as agricultural, residential, commercial, recreational, or  
6 industrial property shall not increase the actual, assessed,  
7 and taxable values of the property for five full assessment  
8 years.

9 Sec. 2. Section 441.21, subsections 9 and 10, Code 2011, are  
10 amended to read as follows:

11 9. Not later than November 1, 1979, and November 1 of  
12 each subsequent year, the director shall certify to the  
13 county auditor of each county the percentages of actual  
14 value at which residential property, agricultural property,  
15 commercial property, industrial property, recreational  
16 property, and property valued by the department of revenue  
17 pursuant to chapters 428, 433, 434, 437, and 438 in each  
18 assessing jurisdiction in the county shall be assessed for  
19 taxation. The county auditor shall proceed to determine the  
20 assessed values of agricultural property, residential property,  
21 commercial property, industrial property, recreational  
22 property, and property valued by the department of revenue  
23 pursuant to chapters 428, 433, 434, 437, and 438 by applying  
24 such percentages to the current actual value of such property,  
25 as reported to the county auditor by the assessor, and the  
26 assessed values so determined shall be the taxable values of  
27 such properties upon which the levy shall be made.

28 10. The percentage of actual value computed by the director  
29 for agricultural property, residential property, commercial  
30 property, industrial property, recreational property, and  
31 property valued by the department of revenue pursuant to  
32 chapters 428, 433, 434, 437, and 438 and used to determine  
33 assessed values of those classes of property does not  
34 constitute a rule as defined in section 17A.2, subsection 11.

35 Sec. 3. Section 441.21, Code 2011, is amended by adding the

1 following new subsection:

2 NEW SUBSECTION. 13. a. (1) For valuations established  
3 for the assessment year beginning January 1, 2012, property  
4 described in this subsection shall be valued as a separate  
5 class of property called recreational property and shall be  
6 assessed at ninety percent of its actual value.

7 (2) For valuations established for the assessment year  
8 beginning January 1, 2013, through valuations established for  
9 the assessment year beginning January 1, 2015, recreational  
10 property shall be valued as a separate class of property and  
11 shall be assessed at a percentage of actual value equal to the  
12 percentage of actual value that the recreational property was  
13 assessed in the previous assessment year minus ten percentage  
14 points.

15 (3) For valuations established for the assessment year  
16 beginning January 1, 2016, and each assessment year thereafter,  
17 recreational property shall be valued as a separate class of  
18 property and shall be assessed at fifty percent of its actual  
19 value.

20 b. Recreational property is subject to reassessment by the  
21 assessor and is subject to the same equalization percentage  
22 amount determined by the director of revenue pursuant to  
23 section 441.49 as is ordered for commercial property.

24 c. For purposes of this subsection, "*recreational property*"  
25 means a golf course, downhill skiing area, campground,  
26 amusement park, or water theme park, if such property is  
27 operated as a commercial enterprise and otherwise subject to  
28 taxation.

29

#### EXPLANATION

30 This bill creates a new class of property, recreational  
31 property, for purposes of property assessment and taxation,  
32 beginning with valuations established on or after January 1,  
33 2012. The bill describes recreational property as a golf  
34 course, downhill skiing area, campground, amusement park, or  
35 water theme park, all of which are operated as commercial

1 enterprises and are otherwise subject to taxation.

2     The bill provides that recreational property shall be  
3 assessed for taxation at 90 percent of its actual value for  
4 the assessment year beginning January 1, 2012. For valuations  
5 established for the assessment year beginning January 1,  
6 2013, through valuations established for the assessment  
7 year beginning January 1, 2015, recreational property shall  
8 be assessed at a percentage of actual value equal to the  
9 percentage of actual value that the recreational property was  
10 assessed in the previous assessment year minus 10 percentage  
11 points.

12     For valuations established for the assessment year beginning  
13 January 1, 2016, and each assessment year thereafter,  
14 recreational property shall be assessed at 50 percent of its  
15 actual value.