

**House File 632 - Introduced**

HOUSE FILE 632

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 349)

**A BILL FOR**

1 An Act relating to the assessment of certain real estate used  
2 in the cultivation and production of algae, and including  
3 effective date and retroactive applicability provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 427A.1, subsection 4, Code 2013, is  
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. *d.* It is a photobioreactor used in the  
4 production of algae for harvesting as a crop for animal feed,  
5 food, nutritionals, or biofuel production.

6 Sec. 2. Section 441.21, subsection 12, Code 2013, is amended  
7 to read as follows:

8 ~~12. Beginning with valuations established on or after~~  
9 ~~January 1, 2002, as~~ As used in this section, unless the context  
10 otherwise requires, "agricultural property" includes the all of  
11 the following:

12 a. Beginning with valuations established on or after January  
13 1, 2002, the real estate of a vineyard and buildings used in  
14 connection with the vineyard, including any building used for  
15 processing wine if such building is located on the same parcel  
16 as the vineyard.

17 b. Beginning with valuations established on or after January  
18 1, 2013, real estate used directly in the cultivation and  
19 production of algae for harvesting as a crop for animal feed,  
20 food, nutritionals, or biofuel production. The real estate  
21 must be an enclosed pond or land containing a photobioreactor.

22 Sec. 3. RETROACTIVE APPLICABILITY. This division of this  
23 Act applies retroactively to January 1, 2013, for assessment  
24 years beginning on or after that date.

25 Sec. 4. EFFECTIVE UPON ENACTMENT. This division of this  
26 Act, being deemed of immediate importance, takes effect upon  
27 enactment.

28 EXPLANATION

29 This bill provides that, for purposes of property taxation,  
30 agricultural property includes the real estate which is  
31 used directly in the cultivation and production of algae for  
32 harvesting as a crop for animal feed, food, nutritionals, or  
33 biofuel production. The real estate must be an enclosed pond  
34 or must be land containing machinery or equipment that uses  
35 a light source to provide photonic energy, referred to as a

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1 photobioreactor.

2     The bill takes effect upon enactment and applies

3 retroactively to assessment years beginning on or after January

4 1, 2013.