

**House Study Bill 222 - Introduced**

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

**A BILL FOR**

- 1 An Act relating to the protest and appeal of property
- 2 assessments and including effective date and applicability
- 3 provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 421.1A, subsection 6, Code 2013, is  
2 amended to read as follows:

3 6. The members of the property assessment appeal board  
4 shall receive compensation from the state commensurate with  
5 the salary of a district judge ~~through December 31, 2013~~. The  
6 members of the board shall be considered state employees for  
7 purposes of salary and benefits. The members of the board and  
8 any employees of the board, when required to travel in the  
9 discharge of official duties, shall be paid their actual and  
10 necessary expenses incurred in the performance of duties.

11 Sec. 2. Section 421.1A, subsection 7, Code 2013, is amended  
12 by striking the subsection.

13 Sec. 3. Section 441.21, subsection 3, Code 2013, is amended  
14 to read as follows:

15 3. a. *"Actual value", "taxable value", or "assessed*  
16 *value"* as used in other sections of the Code in relation to  
17 assessment of property for taxation shall mean the valuations  
18 as determined by this section; however, other provisions of  
19 the Code providing special methods or formulas for assessing  
20 or valuing specified property shall remain in effect, but this  
21 section shall be applicable to the extent consistent with such  
22 provisions. The assessor and department of revenue shall  
23 disclose at the written request of the taxpayer all information  
24 in any formula or method used to determine the actual value of  
25 the taxpayer's property.

26 b. The burden of proof shall be upon any complainant  
27 attacking such valuation as excessive, inadequate, inequitable,  
28 or capricious; however, in protest or appeal proceedings when  
29 the complainant offers competent evidence by at least two  
30 disinterested witnesses that the market value of the property  
31 is less than the market value determined by the assessor, the  
32 burden of proof thereafter shall be upon the officials or  
33 persons seeking to uphold such valuation to be assessed.

34 Sec. 4. Section 441.37, subsection 1, paragraphs a and b,  
35 Code 2013, are amended to read as follows:

1 a. Any property owner or aggrieved taxpayer who is  
2 dissatisfied with the owner's or taxpayer's assessment may file  
3 a protest against such assessment with the board of review on  
4 or after April 16, to and including May 5, of the year of the  
5 assessment. In any county which has been declared to be a  
6 disaster area by proper federal authorities after March 1 and  
7 prior to May 20 of said year of assessment, the board of review  
8 shall be authorized to remain in session until June 15 and the  
9 time for filing a protest shall be extended to and include the  
10 period from May 25 to June 5 of such year. ~~Said~~ The protest  
11 shall be in writing and signed by the one protesting or by the  
12 protester's duly authorized agent. The taxpayer may have an  
13 oral hearing ~~thereon~~ on the protest if request ~~therefor~~ for the  
14 oral hearing is made in writing ~~is made~~ at the time of filing  
15 the protest. ~~Said~~ The protest must be confined to one or more  
16 of the following grounds:

17 (1) For odd-numbered assessment years and for even-numbered  
18 assessment years for properties having a change in actual value  
19 from the previous assessment year:

20 (a) That said assessment is not equitable as compared with  
21 assessments of other like property in the ~~taxing district~~  
22 assessing jurisdiction. When this ground is relied upon ~~as the~~  
23 ~~basis of a protest the legal description and assessments of a~~  
24 ~~representative number of comparable properties, as described~~  
25 ~~by the aggrieved taxpayer shall be listed on the protest,~~  
26 ~~otherwise said protest shall not be considered on this ground~~  
27 consideration shall be given to whether the other like property  
28 in the assessing jurisdiction was appraised using a different  
29 appraisal methodology than the methodology used to appraise the  
30 property that is the subject of the protest.

31 (2) (b) That the property is assessed for more than the  
32 value authorized by law, ~~stating~~. When this ground is relied  
33 upon, the specific amount which the protesting party believes  
34 the property to be overassessed, and the amount which the party  
35 considers to be its actual value and ~~the amount the party~~

1 ~~considers~~ a fair assessment shall be stated.

2 ~~(3)~~ (c) That the property is not assessable, is exempt  
3 from taxes, or is misclassified and stating the reasons for the  
4 protest.

5 ~~(4)~~ (d) That there is an error in the assessment and state  
6 the specific alleged error. When this ground is relied upon,  
7 it may include but is not limited to listing errors, clerical  
8 or mathematical errors, or other errors that result in an error  
9 in the assessment.

10 ~~(5)~~ (e) That there is fraud in the assessment which shall  
11 be specifically stated.

12 (2) For even-numbered assessment years for properties  
13 having no change in assessment from the previous assessment  
14 year, that there has been a decrease in actual value from the  
15 previous assessment year. When this ground is relied upon,  
16 the protesting party shall provide specific evidence that the  
17 market value of the property is less than the actual value of  
18 the property as determined by the assessor for that assessment  
19 year. Such protest shall be made under the provisions of  
20 section 441.35, subsection 2, but in the same manner and upon  
21 the same terms as described in this section.

22 ~~b.~~ In addition to the above, the property owner may protest  
23 annually to the board of review under the provisions of section  
24 441.35, but such protest shall be in the same manner and upon  
25 the same terms as heretofore prescribed in this section. The  
26 burden of proof for all protests filed under this section shall  
27 be as stated in section 441.21, subsection 3, paragraph "b".

28 Sec. 5. Section 441.37A, subsection 1, paragraph b, Code  
29 2013, is amended to read as follows:

30 ~~b.~~ For an appeal to the property assessment appeal board to  
31 be valid, written notice must be filed by the party appealing  
32 the decision with the secretary of the property assessment  
33 appeal board within twenty days after ~~the date the board of~~  
34 ~~review's letter of disposition of the appeal is postmarked to~~  
35 ~~the party making the protest~~ adjournment of the local board

1 of review or May 31, whichever is later. The written notice  
2 of appeal shall include a petition setting forth the basis of  
3 the appeal and the relief sought. No new grounds in addition  
4 to those set out in the protest to the local board of review  
5 as provided in section 441.37 can be pleaded, but additional  
6 evidence to sustain those grounds may be introduced. The  
7 assessor shall have the same right to appeal to the assessment  
8 appeal board as an individual taxpayer, public body, or other  
9 public officer as provided in section 441.42. An appeal to the  
10 board is a contested case under chapter 17A.

11 Sec. 6. Section 441.37A, subsection 2, paragraph a, Code  
12 2013, is amended to read as follows:

13 a. A party to the appeal may request a hearing or the appeal  
14 may proceed without a hearing. If a hearing is requested,  
15 the appellant and the local board of review from which the  
16 appeal is taken shall be given at least thirty days' written  
17 notice by the property assessment appeal board of the date  
18 the appeal shall be heard and the local board of review may  
19 be present and participate at such hearing. Notice to all  
20 affected taxing districts shall be deemed to have been given  
21 when written notice is provided to the local board of review.  
22 The requirement of thirty days' written notice may be waived  
23 by mutual agreement of all parties to the appeal. Failure by  
24 the appellant to appear at the property assessment appeal board  
25 hearing shall be grounds for dismissal of the appeal unless  
26 a continuance is granted to the appellant. If an appeal is  
27 dismissed for failure to appear, the property assessment appeal  
28 board shall have no jurisdiction to consider any subsequent  
29 appeal on the appellant's protest.

30 Sec. 7. Section 441.37A, subsection 3, paragraph a, Code  
31 2013, is amended to read as follows:

32 a. The board member considering the appeal shall determine  
33 anew all questions arising before the local board of review  
34 which relate to the liability of the property to assessment or  
35 the amount thereof. All of the evidence shall be considered

1 and there shall be no presumption as to the correctness of the  
2 valuation of assessment appealed from. The burden of proof  
3 for all appeals before the board shall be as stated in section  
4 441.21, subsection 3, paragraph "b". The property assessment  
5 appeal board shall make a decision in each appeal filed with  
6 the board. If the appeal is considered by less than a majority  
7 of the board, the determination made by that member shall  
8 be forwarded to the full board for approval, rejection, or  
9 modification. If the initial determination is rejected by the  
10 board, it shall be returned for reconsideration to the board  
11 member making the initial determination. Any deliberation  
12 of the board regarding an initial determination shall be  
13 confidential.

14 Sec. 8. REPEAL. 2005 Iowa Acts, chapter 150, section 134,  
15 is repealed.

16 Sec. 9. EFFECTIVE UPON ENACTMENT. This Act, being deemed of  
17 immediate importance, takes effect upon enactment.

18 Sec. 10. APPLICABILITY. The following provisions of this  
19 Act apply to assessment years beginning on or after January 1,  
20 2014:

21 1. The section of this Act amending section 441.37.

22 2. The sections of this Act amending section 441.37A.

23 EXPLANATION

24 This bill relates to the protest and appeal of property  
25 assessments.

26 The bill amends provisions relating to the grounds upon  
27 which a property assessment protest may be brought under Code  
28 section 441.37. The bill specifies the grounds for protest  
29 in an odd-numbered assessment year (reassessment year), the  
30 grounds for protest in an even-numbered assessment year for  
31 those properties having a change in actual value from the  
32 previous assessment year, and the grounds for protest in an  
33 even-numbered assessment year for those properties having no  
34 change in actual value from the previous assessment year.

35 Under current law, for an appeal to the property assessment

1 appeal board to be valid, written notice must be filed by the  
2 party appealing the decision with the secretary of the property  
3 assessment appeal board within 20 days after the date the  
4 local board of review's letter of disposition of the appeal is  
5 postmarked to the party making the protest. The bill changes  
6 the deadline for filing a valid appeal to within 20 days after  
7 the date of adjournment of the local board of review or May 31,  
8 whichever is later.

9 Current Code section 441.37A provides that if a hearing is  
10 requested in an appeal before the property assessment appeal  
11 board, the appellant and the local board of review from which  
12 the appeal is taken must be given at least 30 days' written  
13 notice by the property assessment appeal board of the date the  
14 appeal shall be heard. The bill provides that the requirement  
15 of 30 days' written notice may be waived by mutual agreement  
16 of all parties to the appeal.

17 The bill specifies that the burden of proof in protests  
18 to the local board of review or in appeals to the property  
19 assessment appeal board shall be as provided in current Code  
20 section 441.21(3). Current Code section 441.21(3) states that  
21 the burden of proof shall be upon any complainant attacking the  
22 valuation as excessive, inadequate, inequitable, or capricious;  
23 however, in protest or appeal proceedings when the complainant  
24 offers competent evidence by at least two disinterested  
25 witnesses that the market value of the property is less than  
26 the market value determined by the assessor, the burden of  
27 proof thereafter shall be upon the officials or persons seeking  
28 to uphold such valuation to be assessed.

29 The bill repeals 2005 Iowa Acts, chapter 150, section 134,  
30 which provided for the repeal of the property assessment appeal  
31 board on July 1, 2013, and makes a corresponding change related  
32 to the salary to be paid to members of the property assessment  
33 appeal board. The bill also strikes provisions relating to  
34 the property assessment appeal board review committee that was  
35 established on January 1, 2012, and filed its report with the

1 general assembly on January 15, 2013.

2 The bill takes effect upon enactment. The sections of  
3 the bill amending Code sections 441.37 and 441.37A apply to  
4 assessment years beginning on or after January 1, 2014.