

House File 616 - Introduced

HOUSE FILE 616

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 192)

(SUCCESSOR TO HSB 29)

A BILL FOR

1 An Act relating to property tax credits and assessment by
2 modifying filing deadline provisions, modifying requirements
3 relating to property assessment notices and equalization
4 order notices, modifying provisions relating to property
5 assessment protests and assessor informal reviews, and
6 including effective date and applicability provisions.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 426C.3, subsection 2, paragraph a, Code
2 2015, is amended to read as follows:

3 a. (1) Claims for the business property tax credit against
4 taxes due and payable in fiscal years beginning before July
5 1, 2016, shall be filed not later than March 15 preceding the
6 fiscal year during which the taxes for which the credit is
7 claimed are due and payable.

8 (2) Claims for the business property tax credit against
9 taxes due and payable in fiscal years beginning on or after
10 July 1, 2016, shall be filed not later than July 1 preceding
11 the fiscal year during which the taxes for which the credit is
12 claimed are due and payable.

13 Sec. 2. Section 441.26, subsection 1, Code 2015, is amended
14 to read as follows:

15 1. The director of revenue shall each year prescribe
16 the form of assessment roll to be used by all assessors in
17 assessing property, in this state, also the form of pages of
18 the assessor's assessment book. The assessment rolls shall
19 be in a form that will permit entering, separately, the names
20 of all persons assessed, and shall also contain a notice in
21 substantially the following form:

22 If you are not satisfied that the foregoing assessment is
23 correct, you may contact the assessor on or after April ~~±~~ 2,
24 to and including ~~May 4~~ April 25, of the year of the assessment
25 to request an informal review of the assessment pursuant to
26 section 441.30.

27 If you are not satisfied that the foregoing assessment is
28 correct, you may file a protest against such assessment with
29 the board of review on or after April ~~7~~ 2, to and including ~~May~~
30 ~~5~~ April 30, of the year of the assessment, such protest to be
31 confined to the grounds specified in section 441.37.

32 Dated: .. day of ... (month), .. (year)

33

34 County/City Assessor.

35 Sec. 3. Section 441.26, subsection 2, Code 2015, is amended

1 to read as follows:

2 2. The notice in ~~1981~~ and each odd-numbered year thereafter
3 shall contain a statement that the assessments are subject
4 to equalization pursuant to an order issued by the director
5 of revenue, that the county auditor shall give notice on or
6 before October ~~15~~ 8 by publication in an official newspaper of
7 general circulation to any class of property affected by the
8 equalization order, that the county auditor shall give notice
9 by mail postmarked on or before October 8 to each property
10 owner or taxpayer whose valuation has been increased by the
11 equalization order, and that the board of review shall be in
12 session from October ~~15~~ 10 to November 15 to hear protests of
13 affected property owners or taxpayers whose valuations have
14 been adjusted by the equalization order.

15 Sec. 4. Section 441.28, Code 2015, is amended to read as
16 follows:

17 **441.28 Assessment rolls — change — notice to taxpayer.**

18 The assessment shall be completed not later than April 1 each
19 year. If the assessor makes any change in an assessment after
20 it has been entered on the assessor's rolls, the assessor shall
21 note on the roll, together with the original assessment, the
22 new assessment and the reason for the change, together with the
23 assessor's signature and the date of the change. Provided,
24 however, in the event the assessor increases any assessment the
25 assessor shall give notice of the increase in writing to the
26 taxpayer by mail postmarked no later than April 1. No changes
27 shall be made on the assessment rolls after April 1 except by
28 written agreement of the taxpayer and assessor under section
29 441.30, by order of the board of review or of the property
30 assessment appeal board, or by decree of court.

31 Sec. 5. Section 441.30, subsections 1 and 2, Code 2015, are
32 amended to read as follows:

33 1. Any property owner or aggrieved taxpayer who is
34 dissatisfied with the owner's or taxpayer's assessment may
35 contact the assessor by telephone or in writing by paper or

1 electronic medium on or after April ± 2, to and including May
2 4 April 25, of the year of the assessment to inquire about the
3 specifics and accuracy of the assessment. Such an inquiry may
4 also include a request for an informal review of the assessment
5 by the assessor under one or more of the grounds for protest
6 authorized under section 441.37 for the same assessment year.

7 2. In response to an inquiry under subsection 1, if the
8 assessor, following an informal review, determines that the
9 assessment was incorrect under one or more of the grounds for
10 protest authorized under section 441.37 for the same assessment
11 year, the assessor may, on or before April 25, recommend that
12 the property owner or aggrieved taxpayer file a protest with
13 the local board of review and may file a recommendation with
14 the local board of review related to the informal review, or
15 may enter into a signed written agreement with the property
16 owner or aggrieved taxpayer authorizing the assessor to correct
17 or modify the assessment according to the agreement of the
18 parties.

19 Sec. 6. Section 441.35, subsection 2, Code 2015, is amended
20 to read as follows:

21 2. In any year after the year in which an assessment has
22 been made of all of the real estate in any taxing district, the
23 board of review shall meet as provided in section 441.33, and
24 where the board finds the same has changed in value, the board
25 shall revalue and reassess any part or all of the real estate
26 contained in such taxing district, and in such case, the board
27 shall determine the actual value as of January 1 of the year
28 of the revaluation and reassessment and compute the taxable
29 value thereof. If the assessment of any such property is
30 raised, or any property is added to the tax list by the board,
31 the clerk shall give notice in the manner provided in section
32 441.36. ~~However, if the assessment of~~ If all property in any
33 taxing district is raised revalued and reassessed, the board
34 ~~may shall~~, in addition to notices required to be provided in
35 the manner specified in section 441.36, instruct the clerk to

1 give immediate notice by one publication in one of the official
2 newspapers located in the taxing district, ~~and such published~~
3 ~~notice shall take the place of the mailed notice provided for~~
4 ~~in section 441.36, but all other provisions of that section~~
5 ~~shall apply.~~ The decision of the board as to the foregoing
6 matters shall be subject to appeal to the property assessment
7 appeal board within the same time and in the same manner as
8 provided in section 441.37A and to the district court within
9 the same time and in the same manner as provided in section
10 441.38.

11 Sec. 7. Section 441.37, subsection 1, paragraph a,
12 unnumbered paragraph 1, Code 2015, is amended to read as
13 follows:

14 Any property owner or aggrieved taxpayer who is dissatisfied
15 with the owner's or taxpayer's assessment may file a protest
16 against such assessment with the board of review on or after
17 April 7 2, to and including ~~May 5~~ April 30, of the year of the
18 assessment. In any county which has been declared to be a
19 disaster area by proper federal authorities after March 1 and
20 prior to May 20 of said year of assessment, the board of review
21 shall be authorized to remain in session until June 15 and the
22 time for filing a protest shall be extended to and include the
23 period from May 25 to June 5 of such year. The protest shall
24 be in writing and, except as provided in subsection 3, signed
25 by the one protesting or by the protester's duly authorized
26 agent. The taxpayer may have an oral hearing on the protest if
27 the request for the oral hearing is made in writing at the time
28 of filing the protest. The protest must be confined to one or
29 more of the following grounds:

30 Sec. 8. Section 441.37, subsection 3, Code 2015, is amended
31 to read as follows:

32 3. For assessment years beginning on or after January
33 1, 2014, the board of review may allow property owners or
34 aggrieved taxpayers who are dissatisfied with the owner's or
35 taxpayer's assessment to file a protest against such assessment

1 by electronic means. Electronic filing of assessment protests
2 may be authorized for the protest period that begins April
3 7 2, the protest period that begins October ~~15~~ 9, or both.
4 Except for the requirement that a protest be signed, all other
5 requirements of this section for an assessment protest to the
6 board of review shall apply to a protest filed electronically.
7 If electronic filing is authorized by the local board of
8 review, the availability of electronic filing shall be clearly
9 indicated on the assessment roll notice provided to the
10 property owner or taxpayer and included in both the published
11 equalization order notice and the equalization order notice
12 mailed to the property owner or taxpayer if applicable.

13 Sec. 9. Section 441.49, subsections 2 and 4, Code 2015, are
14 amended to read as follows:

15 2. *a.* On or before October ~~15~~ 8 the county auditor shall
16 cause to be published in official newspapers of general
17 circulation the final equalization order. The county auditor
18 shall also notify each property owner or taxpayer whose
19 valuation has been increased by the final equalization order
20 by mail postmarked on or before October 8. The publication
21 and the individual notice mailed to each property owner or
22 taxpayer whose valuation has been increased shall include, in
23 type larger than the remainder of the publication or notice,
24 the following ~~statement~~ statements:

25 Assessed values are equalized by the department of revenue
26 every two years. Local taxing authorities determine the final
27 tax levies and may reduce property tax rates to compensate
28 for any increase in valuation due to equalization. If you
29 are not satisfied that your assessment as adjusted by the
30 equalization order is correct, you may file a protest against
31 such assessment with the board of review on or after October
32 9, to and including October 31.

33 *b.* Failure to publish the equalization order or to notify
34 property owners or taxpayers of the equalization order has no
35 effect upon the validity of the orders.

1 4. The local board of review shall reconvene in special
2 session from October ~~15~~ 10 to November 15 for the purpose of
3 hearing the protests of affected property owners or taxpayers
4 within the jurisdiction of the board whose valuation of
5 property if adjusted pursuant to the equalization order issued
6 by the director of revenue will result in a greater value than
7 permitted under section 441.21. The board of review shall
8 accept protests only during the ~~first ten days following the~~
9 ~~date the local board of review reconvenes~~ period of time from
10 October 9, to and including October 31. The board of review
11 shall limit its review to only the timely filed protests. The
12 board of review may adjust all or a part of the percentage
13 increase ordered by the director of revenue by adjusting the
14 actual value of the property under protest to one hundred
15 percent of actual value. Any adjustment so determined by
16 the board of review shall not exceed the percentage increase
17 provided for in the director's equalization order. The
18 determination of the board of review on filed protests is
19 final, subject to appeal to the property assessment appeal
20 board. A final decision by the local board of review, or the
21 property assessment appeal board, if the local board's decision
22 is appealed, is subject to review by the director of revenue
23 for the purpose of determining whether the board's actions
24 substantially altered the equalization order. In making the
25 review, the director has all the powers provided in chapter
26 421, and in exercising the powers the director is not subject
27 to chapter 17A. Not later than fifteen days following the
28 adjournment of the board, the board of review shall submit to
29 the director of revenue, on forms prescribed by the director, a
30 report of all actions taken by the board of review during this
31 session.

32 Sec. 10. IMPLEMENTATION OF ACT. Section 25B.2, subsection
33 3, shall not apply to this Act.

34 Sec. 11. EFFECTIVE UPON ENACTMENT. The following provision
35 of this Act, being deemed of immediate importance, takes effect

1 upon enactment:

2 1. The section of this Act amending section 426C.3.

3 Sec. 12. APPLICABILITY. Except for the section of this Act
4 amending section 426C.3, this Act applies to assessment years
5 beginning on or after January 1, 2016.

6 EXPLANATION

7 The inclusion of this explanation does not constitute agreement with
8 the explanation's substance by the members of the general assembly.

9 This bill relates to property tax credits and assessment
10 by modifying filing deadline provisions, modifying provisions
11 relating to property assessment notices and equalization order
12 notices, and by modifying provisions relating to property
13 assessment protests and assessor informal reviews.

14 Current Code section 426C.3 requires claims for the business
15 property tax credit to be filed not later than March 15
16 preceding the fiscal year during which the taxes for which the
17 credits is claimed are due and payable. The bill provides that
18 claims for the business property tax credit against taxes due
19 and payable in fiscal years beginning on or after July 1, 2016,
20 shall be filed not later than July 1 preceding the fiscal year
21 during which the taxes for which the credit is claimed are due
22 and payable.

23 Current Code section 441.30 allows a property owner or
24 taxpayer to contact the assessor to inquire about the specifics
25 and accuracy of the assessment and to request an informal
26 review of the assessment on or after April 1 to and including
27 May 4 of the assessment year. The bill modifies that period
28 of time to be on or after April 2 to and including April 25.
29 The bill also authorizes a change to the assessment on or
30 before April 25 if the owner or taxpayer enters into a written
31 agreement with the assessor. This authority is in addition
32 to the assessor's current authority to recommend that the
33 taxpayer file a protest with the local board of review and file
34 a recommendation in regards to such a protest.

35 The bill also modifies the period of time for filing an

1 assessment protest with the local board of review from the
2 current April 7 to May 5, to a period of time beginning April 2
3 to and including April 30.

4 Current Code section 441.26 requires notices of equalization
5 orders to be published in the newspaper on or before
6 October 15. The bill modifies the publication deadline for
7 equalization order notices to October 8 and requires that
8 individual notices be mailed by October 8 to each owner or
9 taxpayer whose valuation has been increased by the equalization
10 order. The bill provides that the notice shall contain the
11 statement currently required in published notices and amends
12 Code section 441.49 to also require that the notice contain a
13 statement of the owner's or taxpayer's ability to file with the
14 local board of review a protest against an assessment adjusted
15 by the equalization order.

16 The bill also amends Code section 441.49 to modify the
17 period of time for taxpayer protests of an equalization order
18 and the dates of the local board of review's session to hear
19 such protests. Current law allows such protests to be filed
20 on or after October 15, to and including October 25. The bill
21 makes the period of time for filing a protest from October 9 to
22 October 31. The bill changes the dates during which the local
23 board is in session to hear assessment protests resulting from
24 equalization orders to be October 10 to November 15 (previously
25 October 15 to November 15).

26 Code section 441.35, subsection 2, also authorizes the local
27 board of review to provide notice to taxpayers by publication
28 in one of the official newspapers located in the taxing
29 district if the local board of review raises the assessment
30 of all property in a taxing district during the local board
31 of review's session in an even-numbered assessment year.
32 The bill modifies this provision to require, in addition to
33 individual owner or taxpayer notices, notice by publication if
34 all property in the taxing district is revalued and reassessed.

35 The bill amends Code section 441.37 to require individual

1 assessment notices and published notices resulting from an
2 equalization order to include information on the availability
3 of electronic filing of protests if electronic filing is
4 authorized by the local board of review.

5 The bill may include a state mandate as defined in Code
6 section 25B.3. The bill makes inapplicable Code section 25B.2,
7 subsection 3, which would relieve a political subdivision from
8 complying with a state mandate if funding for the cost of
9 the state mandate is not provided or specified. Therefore,
10 political subdivisions are required to comply with any state
11 mandate included in the bill.

12 The section of the bill amending Code section 426C.3 takes
13 effect upon enactment.

14 Except for the section of the bill amending Code section
15 426C.3, the bill applies to assessment years beginning on or
16 after January 1, 2016.