

**House Study Bill 678 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
APPROPRIATIONS BILL BY  
CHAIRPERSON GRASSLEY)

**A BILL FOR**

1 An Act modifying appropriation amounts for payment of  
2 commercial and industrial property tax replacement claims  
3 and including effective date provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 441.21A, subsection 1, paragraph a, Code  
2 2018, is amended to read as follows:

3 a. ~~For~~ Subject to the limitations of subparagraphs (1),  
4 (2), (3), (4), and (5) of this paragraph, for each fiscal year  
5 beginning on or after July 1, 2014, there is appropriated from  
6 the general fund of the state to the department of revenue  
7 an amount necessary for the payment of all commercial and  
8 industrial property tax replacement claims under this section  
9 for the fiscal year. ~~However, for a~~

10 (1) For the fiscal year beginning on or after July 1, 2017,  
11 the total amount of moneys appropriated from the general fund  
12 of the state to the department of revenue for the payment of  
13 commercial and industrial property tax replacement claims in  
14 that fiscal year shall not exceed the total amount of money  
15 moneys necessary to pay all commercial and industrial property  
16 tax replacement claims for the fiscal year beginning July 1,  
17 2016.

18 (2) For the fiscal year beginning July 1, 2018, the  
19 total amount of moneys appropriated from the general fund of  
20 the state to the department of revenue for the payment of  
21 commercial and industrial property tax replacement claims in  
22 that fiscal year shall not exceed one hundred million dollars.

23 (3) For the fiscal year beginning July 1, 2019, the  
24 total amount of moneys appropriated from the general fund of  
25 the state to the department of revenue for the payment of  
26 commercial and industrial property tax replacement claims in  
27 that fiscal year shall not exceed seventy-five million dollars.

28 (4) For the fiscal year beginning July 1, 2020, the  
29 total amount of moneys appropriated from the general fund of  
30 the state to the department of revenue for the payment of  
31 commercial and industrial property tax replacement claims in  
32 that fiscal year shall not exceed fifty million dollars.

33 (5) For the fiscal year beginning July 1, 2021, and each  
34 succeeding fiscal year, the total amount of moneys appropriated  
35 from the general fund of the state to the department of

1 revenue for the payment of commercial and industrial property  
2 tax replacement claims in that fiscal year shall not exceed  
3 twenty-five million dollars.

4 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate  
5 importance, takes effect upon enactment.

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 Current Code section 441.21A establishes and appropriates  
10 amounts from the general fund of the state for commercial and  
11 industrial property tax replacement claims. Such claims are  
12 calculated by the department of revenue based on the difference  
13 between the actual value and assessed value of all commercial  
14 and industrial property in each taxing district in the state.  
15 Current law appropriates an amount necessary for the payment  
16 of all commercial and industrial property tax replacement  
17 claims for each fiscal year beginning on or after July 1,  
18 2014, subject to a maximum total appropriation for fiscal  
19 years beginning on or after July 1, 2017, of the total amount  
20 necessary for the payment of replacement claims in the fiscal  
21 year beginning July 1, 2016.

22 This bill establishes maximum total appropriation amounts  
23 for the fiscal years beginning on or after July 1, 2018. The  
24 appropriation for the fiscal year beginning July 1, 2018, shall  
25 not exceed \$100 million. The appropriation for the fiscal year  
26 beginning July 1, 2019, shall not exceed \$75 million. The  
27 appropriation for the fiscal year beginning July 1, 2020, shall  
28 not exceed \$50 million. The appropriation for the fiscal year  
29 beginning July 1, 2021, and each succeeding fiscal year, shall  
30 not exceed \$25 million.

31 The bill takes effect upon enactment.