

Senate File 2081 - Introduced

SENATE FILE 2081

BY CHELGREN

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 2.48, subsection 3, paragraph f,
2 subparagraph (6), Code 2018, is amended by striking the
3 subparagraph.

4 Sec. 2. Section 441.21A, subsection 1, paragraph a, Code
5 2018, is amended to read as follows:

6 a. ~~For~~ Subject to the limitations of subparagraphs (1),
7 (2), and (3) of this paragraph, for each fiscal year during
8 the period beginning on ~~or after~~ July 1, 2014, and ending June
9 30, 2020, there is appropriated from the general fund of the
10 state to the department of revenue an amount necessary for
11 the payment of all commercial and industrial property tax
12 replacement claims under [this section](#) for the fiscal year.

13 ~~However, for a~~

14 (1) For the fiscal year beginning ~~on or after~~ July 1, 2017,
15 the total amount of moneys appropriated from the general fund
16 of the state to the department of revenue for the payment of
17 commercial and industrial property tax replacement claims in
18 that fiscal year shall not exceed the total amount of ~~money~~
19 moneys necessary to pay all commercial and industrial property
20 tax replacement claims for the fiscal year beginning July 1,
21 2016.

22 (2) For the fiscal year beginning July 1, 2018, the
23 total amount of moneys appropriated from the general fund of
24 the state to the department of revenue for the payment of
25 commercial and industrial property tax replacement claims in
26 that fiscal year shall not exceed two-thirds of the total
27 amount of moneys necessary to pay all commercial and industrial
28 property tax replacement claims for the fiscal year beginning
29 July 1, 2016.

30 (3) For the fiscal year beginning July 1, 2019, the
31 total amount of moneys appropriated from the general fund of
32 the state to the department of revenue for the payment of
33 commercial and industrial property tax replacement claims
34 in that fiscal year shall not exceed one-third of the total
35 amount of moneys necessary to pay all commercial and industrial

1 property tax replacement claims for the fiscal year beginning
2 July 1, 2016.

3 Sec. 3. Section 441.21A, subsections 2 and 3, Code 2018, are
4 amended to read as follows:

5 2. Beginning with the fiscal year beginning July 1, 2014,
6 and ending with the fiscal year beginning July 1, 2019, each
7 county treasurer shall be paid by the department of revenue an
8 amount equal to the amount of the commercial and industrial
9 property tax replacement claims in the county, as calculated
10 in [subsection 4](#). If an amount appropriated for a fiscal year
11 is insufficient to pay all replacement claims, the director of
12 revenue shall prorate the payment of replacement claims to the
13 county treasurers and shall notify the county auditors of the
14 pro rata percentage on or before September 30.

15 3. On or before July 1 of each fiscal year beginning on
16 or after July 1, 2014, but before July 1, 2020, the assessor
17 shall report to the county auditor the total actual value of
18 all commercial property and industrial property in the county
19 that is subject to assessment and taxation for the assessment
20 year used to calculate the taxes due and payable in that fiscal
21 year.

22 Sec. 4. Section 441.21A, subsection 4, unnumbered paragraph
23 1, Code 2018, is amended to read as follows:

24 On or before a date established by rule of the department
25 of revenue of each fiscal year beginning on or after July
26 1, 2014, but before July 1, 2020, the county auditor shall
27 prepare a statement, based upon the report received pursuant to
28 subsection 3, listing for each taxing district in the county:

29 Sec. 5. EFFECTIVE DATE. The following takes effect July 1,
30 2022:

31 The section of this Act amending section 2.48.

32 Sec. 6. EFFECTIVE DATE. The following, being deemed of
33 immediate importance, takes effect upon enactment:

34 The sections of this Act amending section 441.21A.

35

EXPLANATION

S.F. 2081

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

3 Current Code section 441.21A establishes and appropriates
4 amounts from the general fund of the state for commercial
5 and industrial property tax replacement claims. Such claims
6 are calculated by the department of revenue based on the
7 difference between the actual value and assessed value of all
8 commercial and industrial property in each taxing district
9 in the state. Current law appropriates an amount necessary
10 for the payment of all commercial and industrial property tax
11 replacement claims for each fiscal year beginning on or after
12 July 1, 2014, subject to a maximum total appropriation for
13 fiscal years beginning on or after July 1, 2017, of the total
14 amount necessary for the payment of replacement claims in the
15 fiscal year beginning July 1, 2016. This bill eliminates the
16 appropriation for fiscal years beginning on or after July 1,
17 2020.

18 The bill also establishes maximum total appropriation
19 amounts for the fiscal years beginning July 1, 2018, and July
20 1, 2019. The appropriation for the fiscal year beginning July
21 1, 2018, shall not exceed two-thirds of the total amount of
22 moneys necessary to pay all commercial and industrial property
23 tax replacement claims for the fiscal year beginning July 1,
24 2016. The appropriation for the fiscal year beginning July 1,
25 2019, shall not exceed one-third of the total amount of moneys
26 necessary to pay all commercial and industrial property tax
27 replacement claims for the fiscal year beginning July 1, 2016.

28 Under current law, the legislative tax expenditure committee
29 established under Code section 2.48 is required to review
30 the commercial and industrial property tax replacement claim
31 expenditures. The bill eliminates that required periodic
32 review effective July 1, 2022.

33 Except for the Code section of the bill amending Code section
34 2.48, the bill takes effect upon enactment.