

Senate File 2145 - Introduced

SENATE FILE 2145

BY BERTRAND

A BILL FOR

1 An Act relating to the property tax exemption for dwelling
2 units owned and managed by certain nonprofit organizations
3 and including applicability provisions.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 427.1, subsection 21A, Code 2018, is
2 amended to read as follows:

3 21A. *Dwelling unit property owned by community housing*
4 *development organization.* Dwelling unit property owned, and
5 managed, or controlled by a community housing development
6 organization, as recognized by the state of Iowa and the
7 federal government pursuant to criteria for community housing
8 development organization designation contained in the HOME
9 program of the federal National Affordable Housing Act of 1990,
10 if the organization is also a nonprofit organization exempt
11 from federal income tax under section 501(c)(3) of the Internal
12 Revenue Code and owns and manages more than one hundred fifty
13 dwelling units that are located in a city with a population of
14 more than ~~one hundred ten~~ eighty thousand. For the ~~2005 and~~
15 ~~2006~~ assessment years beginning January 1, 2005, and January
16 1, 2006, an application is not required to be filed to receive
17 the exemption. For the ~~2007~~ assessment year beginning January
18 1, 2007, and subsequent assessment years, an application for
19 exemption must be filed with the assessing authority not later
20 than February 1 of the assessment year for which the exemption
21 is sought. Upon the filing and allowance of the claim, the
22 claim shall be allowed on the property for successive years
23 without further filing as long as the property continues to
24 qualify for the exemption.

25 Sec. 2. IMPLEMENTATION. Section 25B.7 shall not apply to
26 this Act.

27 Sec. 3. APPLICABILITY. This Act applies to assessment years
28 beginning on or after January 1, 2019.

29

EXPLANATION

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

32 Current law provides an exemption from property taxation
33 for dwelling unit property owned and managed by a nonprofit
34 community housing development organization if the organization
35 owns and manages more than 150 dwelling units located in a city

1 with a population of more than 110,000. This bill authorizes
2 the property tax exemption for dwelling unit property if the
3 property is owned, managed, or controlled by a community
4 housing development organization, instead of requiring both
5 ownership and management of the property. The bill also lowers
6 the city population criteria from 110,000 to 80,000.

7 The bill makes inapplicable Code section 25B.7. Code
8 section 25B.7 provides that for a property tax credit or
9 exemption enacted on or after January 1, 1997, if a state
10 appropriation made to fund the credit or exemption is not
11 sufficient to fully fund the credit or exemption, the political
12 subdivision shall be required to extend to the taxpayer only
13 that portion of the credit or exemption estimated by the
14 department of revenue to be funded by the state appropriation.

15 This bill applies to assessment years beginning on or after
16 January 1, 2019.