

House File 119 - Introduced

HOUSE FILE 119

BY BOSSMAN

A BILL FOR

1 An Act relating to the calculation and allocation of adjusted
2 additional property tax levy aid for school districts and
3 including applicability provisions.

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

1 Section 1. Section 257.4, subsection 1, paragraph b, Code
2 2019, is amended to read as follows:

3 b. For the budget year beginning July 1, 2008, and
4 succeeding budget years, the department of management shall
5 annually determine an adjusted additional property tax levy
6 and a statewide maximum adjusted additional property tax levy
7 rate, ~~not to exceed the statewide average additional property~~
8 ~~tax levy rate, calculated by dividing the total adjusted~~
9 ~~additional property tax levy dollars statewide by the statewide~~
10 ~~total net taxable valuation that is not less than the lowest~~
11 adjusted additional property tax levy rate among all school
12 districts in the state. For purposes of this paragraph, the
13 adjusted additional property tax levy shall be that portion of
14 the additional property tax levy corresponding to the state
15 cost per pupil multiplied by a school district's weighted
16 enrollment, and then multiplied by one hundred percent less the
17 regular program foundation base per pupil percentage pursuant
18 to [section 257.1](#), and then reduced by the amount of the
19 property tax replacement payment to be received under section
20 257.16B. The district shall receive adjusted additional
21 property tax levy aid in an amount equal to the difference
22 between the adjusted additional property tax levy rate and
23 the statewide maximum adjusted additional property tax levy
24 rate, as applied per thousand dollars of assessed valuation on
25 all taxable property in the district. The statewide maximum
26 adjusted additional property tax levy rate shall be annually
27 determined by the department taking into account amounts
28 allocated pursuant to [section 257.15, subsection 4](#), and the
29 balance of the property tax equity and relief fund created in
30 section 257.16A at the end of the calendar year.

31 Sec. 2. APPLICABILITY. This Act applies July 1, 2020, for
32 school budget years beginning on or after that date.

33

EXPLANATION

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

1 Annually, \$24 million and the balance of the property tax
2 equity and relief fund are appropriated to provide adjusted
3 additional property tax levy aid to school districts in an
4 amount equal to the difference between the adjusted additional
5 property tax levy rate and the statewide maximum adjusted
6 additional property tax levy rate, as calculated by the
7 department of management. Current law provides that the
8 statewide maximum adjusted additional property tax levy rate
9 is calculated using the amounts appropriated, but not to
10 exceed the statewide average additional property tax levy rate
11 calculated by dividing the total adjusted additional property
12 tax levy dollars statewide by the statewide total net taxable
13 valuation. This bill provides that the statewide maximum
14 adjusted additional property tax levy rate, as calculated by
15 the department of management, shall instead not be less than
16 the lowest adjusted additional property tax levy rate among all
17 school districts in the state. Accordingly, the bill allows
18 for lowering all school district adjusted additional property
19 tax levy rates to the lowest adjusted additional property tax
20 levy rate among all school districts in the state if sufficient
21 funding is appropriated.

22 The bill applies July 1, 2020, for school budget years
23 beginning on or after that date.