

**House File 2164 - Introduced**

HOUSE FILE 2164  
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HSB 500)

**A BILL FOR**

1 An Act relating to the classification of property enrolled  
2 in the federal conservation reserve program and including  
3 applicability provisions.

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

1 Section 1. Section 441.21, subsection 6, Code 2022, is  
2 amended to read as follows:

3 6. a. Beginning with valuations established as of January  
4 1, 1978, the assessors shall report the aggregate taxable  
5 values and the number of dwellings located on agricultural  
6 land and the aggregate taxable value of all other structures  
7 on agricultural land. Beginning with valuations established  
8 as of January 1, 1981, the agricultural dwellings located on  
9 agricultural land shall be valued at their market value as  
10 defined in [this section](#) and agricultural dwellings shall be  
11 valued as rural residential property and shall be assessed at  
12 the same percentage of actual value as is all other residential  
13 property.

14 b. Land enrolled in the conservation reserve program  
15 under 7 C.F.R. pt. 1410, shall not be classified or valued as  
16 residential property.

17 Sec. 2. APPLICABILITY. This Act applies to assessment years  
18 beginning on or after January 1, 2023.

19 EXPLANATION

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

22 The United States department of agriculture's conservation  
23 reserve program (CRP) is a land conservation program  
24 administered by the federal farm service agency (FSA). In  
25 exchange for a yearly rental payment, property owners enrolled  
26 in the program enter into contracts with the FSA to remove  
27 environmentally sensitive land from agricultural production  
28 and plant species that will improve environmental health and  
29 quality. This bill prohibits land from being classified or  
30 valued as residential property for property tax purposes under  
31 Iowa law while the property is enrolled in the CRP.

32 The bill applies to property tax assessment years beginning  
33 on or after January 1, 2023.