

House Study Bill 685 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON LATHAM)

A BILL FOR

- 1 An Act relating to tax collections for buildings or
- 2 improvements erected or made by a person on land owned by
- 3 another person.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 445.32, Code 2024, is amended to read as
2 follows:

3 **445.32 Liens on buildings or improvements.**

4 1. If a building or improvement is erected or made by a
5 person other than the owner of the land on which the building
6 or improvement is located, as provided for in section 428.4,
7 and the actual value of the building or improvement is
8 less than five thousand dollars, the taxes on the building
9 or improvement are and remain a lien on the building or
10 improvement from the date of levy until paid. If the taxes on
11 the building or improvement become delinquent, as provided in
12 section 445.37, the county treasurer shall collect the tax as
13 provided in sections 445.3 and 445.4. This section subsection
14 does not apply to special assessments, or rates or charges.

15 2. If a building or improvement is erected or made
16 by a person other than the owner of the land on which the
17 building or improvement is located, as provided for in section
18 428.4, and the actual value of the building or improvement
19 is five thousand dollars or more, the taxes on the building
20 or improvement are and remain a lien on the building or
21 improvement from the date of levy until paid. If the taxes on
22 the building or improvement become delinquent, as provided in
23 section 445.37, the county treasurer shall collect the tax as
24 provided in sections 445.3 and 445.4 or pursuant to chapter
25 446.

26 EXPLANATION

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

29 When property adjacent to a public improvement benefits from
30 the improvement, a special assessment may be levied against the
31 adjacent properties that received the benefit to pay for all
32 or a portion of the improvement. Under current law, principal
33 and interest due and delinquent because of a special assessment
34 cannot be collected on a building or improvement erected or
35 made by a person on land owned by another person pursuant to

H.F. _____

1 Code sections 445.3 and 445.4. This bill allows collections
2 pursuant to Code sections 445.3 and 445.4 or Code chapter 446
3 (tax sales) relating to buildings or improvements, with an
4 actual value of \$5,000 or more, erected or made by a person on
5 land owned by another person to include principal and interest
6 due and delinquent because of special assessment levies.