

Senate Study Bill 1218 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON DAWSON)

A BILL FOR

1 An Act relating to local government property taxes, financial
2 authority, operations, and budgets, modifying certain
3 transit funding, property tax credits and exemptions, and
4 appropriations, requiring certain information related
5 to property taxation to be provided to property owners
6 and taxpayers, modifying provisions relating to fees for
7 driver's licenses and nonoperator's identification cards,
8 modifying provisions relating to certain writing fees,
9 making penalties applicable, and including effective date,
10 retroactive applicability, and applicability provisions.
11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

COUNTY PROPERTY TAXES AND BUDGETS

Section 1. Section 331.301, subsection 10, paragraph e, subparagraph (1), Code 2023, is amended to read as follows:

(1) (a) The board must follow substantially the authorization procedures of section 331.443 to authorize a lease or lease-purchase contract for personal property which is payable from the general fund. The board must follow substantially the authorization procedures of section 331.443 to authorize a lease or lease-purchase contract for real property which is payable from the general fund if the principal amount of the lease-purchase contract does not exceed the following limits:

- (i) ~~Four~~ Five hundred twenty thousand dollars in a county having a population of twenty-five thousand or less.
- (ii) ~~Five~~ Six hundred fifty thousand dollars in a county having a population of more than twenty-five thousand but not more than fifty thousand.
- (iii) ~~Six~~ Seven hundred eighty thousand dollars in a county having a population of more than fifty thousand but not more than one hundred thousand.
- (iv) ~~Eight hundred~~ One million forty thousand dollars in a county having a population of more than one hundred thousand but not more than two hundred thousand.
- (v) One million three hundred thousand dollars in a county having a population of more than two hundred thousand.

(b) However, if the principal amount of a lease or lease-purchase contract pursuant to this subparagraph (1) is less than ~~twenty-five~~ thirty-two thousand five hundred dollars, the board may authorize the lease or lease-purchase contract without following the authorization procedures of section 331.443.

Sec. 2. Section 331.402, subsection 3, paragraph d, subparagraph (1), subparagraph divisions (a), (b), (c), (d), and (e), Code 2023, are amended to read as follows:

1 (a) ~~Four~~ Five hundred twenty thousand dollars in a county
2 having a population of twenty-five thousand or less.

3 (b) ~~Five~~ Six hundred fifty thousand dollars in a county
4 having a population of more than twenty-five thousand but not
5 more than fifty thousand.

6 (c) ~~Six~~ Seven hundred eighty thousand dollars in a county
7 having a population of more than fifty thousand but not more
8 than one hundred thousand.

9 (d) ~~Eight hundred~~ One million forty thousand dollars in a
10 county having a population of more than one hundred thousand
11 but not more than two hundred thousand.

12 (e) One million three hundred thousand dollars in a county
13 having a population of more than two hundred thousand.

14 Sec. 3. Section 331.403, subsection 1, Code 2023, is amended
15 to read as follows:

16 1. Not later than December 1 of each year on forms and
17 pursuant to instructions prescribed by the department of
18 management, a county shall prepare an annual financial report
19 showing for each county fund the financial condition as of
20 June 30 and the results of operations for the year then ended.
21 Copies of the report shall be maintained as a public record at
22 the auditor's office and shall be filed with the director of
23 the department of management and with the auditor of state by
24 December 1. A summary of the report, in a form prescribed by
25 the director, shall be published by each county not later than
26 December 1 of each year in one or more newspapers which meet
27 the requirements of [section 618.14](#). Beginning with the annual
28 financial report filed by December 1, 2024, each report shall
29 include a list of bonds, notes, or other obligations issued by
30 the county during the preceding fiscal year payable from any
31 source, including the amount of the issuance, the project or
32 purpose of the issuance, whether the issuance was approved
33 at election, eligible to be subject to a petition for an
34 election, or was exempt from approval at election as the result
35 of statutory exclusions based on population of the county or

1 amount of the issuance, and identification of issuances from
2 the fiscal year or prior fiscal years related to the same
3 project or purpose.

4 Sec. 4. Section 331.422, unnumbered paragraph 1, Code 2023,
5 is amended to read as follows:

6 Subject to **this section** and sections 331.423 through ~~331.426~~
7 331.425 or as otherwise provided by state law, the board of
8 each county shall certify property taxes annually at its March
9 session to be levied for county purposes as follows:

10 Sec. 5. Section 331.423, Code 2023, is amended to read as
11 follows:

12 **331.423 Basic levies — maximums — adjustments.**

13 Annually, the board may certify basic levies, subject to the
14 following limits:

15 1. For general county services, :

16 a. For fiscal years beginning before July 1, 2024, three
17 dollars and fifty cents per thousand dollars of the assessed
18 value of all taxable property in the county.

19 b. For the fiscal year beginning July 1, 2024, a levy rate
20 per thousand dollars of taxable value equal to the sum of three
21 dollars and fifty cents plus the sum of the amount per thousand
22 dollars of taxable value levied for general county services
23 under section 331.426, Code 2023, for the fiscal year beginning
24 July 1, 2023.

25 c. (1) For each fiscal year beginning on or after July 1,
26 2025, subject to paragraph "d", the greater of three dollars
27 and fifty cents per thousand dollars of assessed value used to
28 calculate taxes for the budget year and the amount determined
29 under paragraph "b", as adjusted under subparagraph (2), if
30 applicable.

31 (2) If the total assessed value used to calculate taxes
32 for general county services for the budget year exceeds one
33 hundred three and one-fourth percent of the total assessed
34 value used to calculate taxes for the current fiscal year, the
35 levy rate per thousand dollars determined under paragraph "b",

1 as previously adjusted under this subparagraph, if applicable,
2 shall be reduced to a rate per one thousand dollars of assessed
3 value that is equal to one thousand multiplied by the quotient
4 of the current fiscal year's actual property tax dollars
5 certified for levy under this subsection 1 divided by one
6 hundred three and one-fourth percent of the total assessed
7 value used to calculate taxes for the current fiscal year.

8 d. In addition to the limitation under paragraph "c",
9 for fiscal years beginning on or after July 1, 2025, if the
10 county's actual levy rate imposed under this subsection for the
11 current fiscal year is three dollars and fifty cents or less
12 per thousand dollars of assessed value and the total assessed
13 value used to calculate taxes for the budget year exceeds one
14 hundred two and one-half percent of the total assessed value
15 used to calculate taxes for the current fiscal year, the levy
16 rate imposed under this subsection for the budget year shall
17 not exceed a rate per one thousand dollars of assessed value
18 that is equal to one thousand multiplied by the quotient of the
19 current fiscal year's actual property tax dollars certified for
20 levy under this subsection 1 divided by one hundred two and
21 one-half percent of the total assessed value used to calculate
22 taxes for the current fiscal year.

23 2. For rural county services:

24 a. For fiscal years beginning before July 1, 2024, three
25 dollars and ninety-five cents per thousand dollars of the
26 assessed value of taxable property in the county outside of
27 incorporated city areas.

28 b. For the fiscal year beginning July 1, 2024, a levy rate
29 per thousand dollars of taxable value equal to the sum of three
30 dollars and ninety-five cents plus the sum of the amount per
31 thousand dollars of taxable value levied for rural county
32 services under section 331.426, Code 2023, for the fiscal year
33 beginning July 1, 2023.

34 c. (1) For each fiscal year beginning on or after July 1,
35 2025, subject to paragraph "d", the greater of three dollars

1 and ninety-five cents per thousand dollars of assessed value
2 used to calculate taxes for the budget year and the amount
3 determined under paragraph "b", as adjusted under subparagraph
4 (2), if applicable.

5 (2) If the total assessed value used to calculate taxes for
6 rural county services under this subsection for the budget year
7 exceeds one hundred three and one-fourth percent of the total
8 assessed value used to calculate taxes for the current fiscal
9 year, the levy rate per thousand dollars determined under
10 paragraph "b", as previously adjusted under this subparagraph,
11 if applicable, shall be reduced to a rate per one thousand
12 dollars of assessed value that is equal to one thousand
13 multiplied by the quotient of the current fiscal year's actual
14 property tax dollars certified for levy under this subsection
15 2 divided by one hundred three and one-fourth percent of the
16 total assessed value used to calculate taxes for the current
17 fiscal year.

18 d. In addition to the limitation under paragraph "c",
19 for fiscal years beginning on or after July 1, 2025, if the
20 county's actual levy rate imposed under this subsection for
21 the current fiscal year is three dollars and ninety-five cents
22 or less per thousand dollars of assessed value and the total
23 assessed value used to calculate taxes for the budget year
24 exceeds one hundred two and one-half percent of the total
25 assessed value used to calculate taxes for the current fiscal
26 year, the levy rate imposed under this subsection for the
27 budget year shall not exceed a rate per one thousand dollars
28 of assessed value that is equal to one thousand multiplied
29 by the quotient of the current fiscal year's actual property
30 tax dollars certified for levy under this subsection 2 divided
31 by one hundred two and one-half percent of the total assessed
32 value used to calculate taxes for the current fiscal year.

33 3. For purposes of this section:

34 a. "Budget year" is the fiscal year beginning during the
35 calendar year in which a budget is certified.

1 b. "Current fiscal year" is the fiscal year ending during
2 the calendar year in which a budget for the budget year is
3 certified.

4 Sec. 6. Section 331.425, unnumbered paragraph 1, Code 2023,
5 is amended to read as follows:

6 The board may certify an addition to a levy in excess
7 of the amounts otherwise permitted under sections 331.423,
8 and 331.424, and ~~331.426~~ if the proposition to certify an
9 addition to a levy has been submitted at a special levy
10 election and received a favorable majority of the votes cast
11 on the proposition. A special levy election is subject to the
12 following:

13 Sec. 7. Section 331.425, Code 2023, is amended by adding the
14 following new subsection:

15 NEW SUBSECTION. 6. a. If the addition to a levy approved
16 under this section is due to unusual circumstances resulting
17 from the following, the duration of such approval at election
18 shall not exceed the following period of years:

19 (1) Unusual problems relating to major new functions
20 required by state law, three years.

21 (2) Unusual need for a new program which will provide
22 substantial benefit to county residents, if the county
23 establishes the need and the amount of necessary increased
24 cost, one year.

25 b. For an election to approve an addition to a levy for a
26 reason specified in paragraph "a" or as the result of a natural
27 disaster, the ballot shall include a statement of the major
28 reasons for the difference between the proposed basic tax rate
29 and the maximum basic tax rate, including a description of the
30 major new functions required by state law and the specific
31 new costs to the county to implement the new functions, a
32 description of the new program that will provide substantial
33 benefits to county residents and specific new costs to the
34 county for the program, or the conditions and damage resulting
35 from the natural disaster that the county must remedy.

1 Sec. 8. Section 331.434, unnumbered paragraph 1, Code 2023,
2 is amended to read as follows:

3 Annually, the board of each county, subject to section
4 331.403, subsection 4, sections 331.423 through ~~331.426~~
5 331.425, section 331.433A, and other applicable state law,
6 shall prepare and adopt a budget, certify taxes, and provide
7 appropriations as follows:

8 Sec. 9. Section 331.435, subsection 1, Code 2023, is amended
9 to read as follows:

10 1. The board may amend the adopted county budget, subject to
11 sections 331.423 through ~~331.426~~ 331.425 and other applicable
12 state law, to permit increases in any class of proposed
13 expenditures contained in the budget summary published under
14 section 331.434, subsection 3.

15 Sec. 10. Section 331.441, subsection 2, paragraph b,
16 subparagraph (5), subparagraph divisions (a), (b), (c), (d),
17 and (e), Code 2023, are amended to read as follows:

18 (a) ~~Six~~ Seven hundred eighty thousand dollars in a county
19 having a population of twenty-five thousand or less.

20 (b) ~~Seven~~ Nine hundred ~~fifty~~ ten thousand dollars in a
21 county having a population of more than twenty-five thousand
22 but not more than fifty thousand.

23 (c) ~~Nine~~ One million one hundred seventy thousand dollars in
24 a county having a population of more than fifty thousand but
25 not more than one hundred thousand.

26 (d) One million ~~two~~ five hundred sixty thousand dollars in
27 a county having a population of more than one hundred thousand
28 but not more than two hundred thousand.

29 (e) One million ~~five~~ nine hundred fifty thousand dollars in
30 a county having a population of more than two hundred thousand.

31 Sec. 11. Section 331.441, subsection 2, paragraph c,
32 subparagraph (11), Code 2023, is amended by striking the
33 subparagraph.

34 Sec. 12. Section 331.442, subsection 2, paragraph a, Code
35 2023, is amended to read as follows:

1 a. The board shall publish notice of the proposal to issue
2 the bonds, including a statement of the amount and purpose
3 of the bonds, ~~and~~ a statement of the estimated cost of the
4 project for which the bonds are to be issued, and an estimate
5 of the annual increase in property taxes as the result of
6 the bond issuance on a residential property with an actual
7 value of one hundred thousand dollars. The notice shall be
8 published as provided in [section 331.305](#) with the minutes of
9 the meeting at which the board adopts a resolution to call a
10 county special election to vote upon the question of issuing
11 the bonds. The cost of the project, as published in the notice
12 pursuant to this paragraph, is an estimate and is not intended
13 to be binding on the board in later proceedings related to the
14 project.

15 Sec. 13. Section 331.442, subsection 5, paragraph a,
16 subparagraphs (1), (2), and (3), Code 2023, are amended to read
17 as follows:

18 (1) In counties having a population of twenty thousand or
19 less, in an amount of not more than one hundred thirty thousand
20 dollars.

21 (2) In counties having a population of over twenty thousand
22 and not over fifty thousand, in an amount of not more than two
23 hundred sixty thousand dollars.

24 (3) In counties having a population of over fifty thousand,
25 in an amount of not more than three hundred ninety thousand
26 dollars.

27 Sec. 14. Section 331.443, subsection 2, Code 2023, is
28 amended to read as follows:

29 2. Before the board may institute proceedings for the
30 issuance of bonds for an essential county purpose, a notice
31 of the proposed action, including a statement of the amount
32 and purposes of the bonds, an estimate of the annual increase
33 in property taxes as the result of the bond issuance on a
34 residential property with an actual value of one hundred
35 thousand dollars, and the time and place of the meeting at

1 which the board proposes to take action for the issuance of the
2 bonds, shall be published as provided in [section 331.305](#). At
3 the meeting, the board shall receive oral or written objections
4 from any resident or property owner of the county. After
5 all objections have been received and considered, the board,
6 at that meeting or a date to which it is adjourned, may take
7 additional action for the issuance of the bonds or abandon the
8 proposal to issue the bonds. Any resident or property owner
9 of the county may appeal the decision of the board to take
10 additional action to the district court of the county, within
11 fifteen days after the additional action is taken, but the
12 additional action of the board is final and conclusive unless
13 the court finds that the board exceeded its authority. The
14 provisions of [this subsection](#) with respect to notice, hearing,
15 and appeal, are in lieu of any other law.

16 Sec. 15. REPEAL. Section 331.426, Code 2023, is repealed.

17 Sec. 16. EFFECTIVE DATE. This division of this Act takes
18 effect July 1, 2024.

19 Sec. 17. APPLICABILITY. This division of this Act applies
20 to taxes and budgets for fiscal years beginning on or after
21 July 1, 2024.

22 DIVISION II

23 CITY PROPERTY TAXES AND BUDGETS

24 Sec. 18. Section 24.48, subsection 5, Code 2023, is amended
25 by adding the following new paragraph:

26 NEW PARAGRAPH. *c.* For budgets for fiscal years beginning on
27 or after July 1, 2024, if the political subdivision is a city,
28 a suspension of the statutory property tax levy limitations
29 under this section shall only be approved by the state appeal
30 board in the event of a natural disaster or under the reasons
31 specified in subsection 1, paragraph “*c*” or “*f*”.

32 Sec. 19. Section 28M.5, subsection 1, Code 2023, is amended
33 to read as follows:

34 1. The commission, with the approval of the board of
35 supervisors of participating counties and the city council

1 of participating cities in the [chapter 28E](#) agreement, may
2 levy annually a tax not to exceed ninety-five cents per
3 thousand dollars of the assessed value of all taxable property
4 in a regional transit district to the extent provided in
5 this section. The [chapter 28E](#) agreement may authorize the
6 commission to levy the tax at different rates within the
7 participating cities and counties in amounts sufficient to meet
8 the revenue responsibilities of such cities and counties as
9 allocated in the budget adopted by the commission. However,
10 for a city participating in a regional transit district, the
11 total of all the tax levies imposed in the city pursuant
12 to [section 384.12, subsection 1](#), and [this section](#) shall
13 not exceed the aggregate of ninety-five cents per thousand
14 dollars of the assessed value of all taxable property in the
15 participating city.

16 Sec. 20. Section 37.8, Code 2023, is amended to read as
17 follows:

18 **37.8 ~~Levy for~~ Cost of development, operation, and**
19 **maintenance.**

20 For the development, operation, and maintenance of a
21 building or monument constructed, purchased, or donated under
22 this chapter, a city may ~~levy a tax not to exceed eighty-one~~
23 ~~cents per thousand dollars of assessed value on all the taxable~~
24 ~~property within the city, as provided in section 384.12,~~
25 subsection 2 utilize taxes levied under section 384.1.

26 Sec. 21. Section 384.1, Code 2023, is amended to read as
27 follows:

28 **384.1 Taxes certified.**

29 1. A city may certify taxes to be levied by the county
30 on all taxable property within the city limits, for all city
31 government purposes. ~~However, the~~

32 2. a. Notwithstanding subsection 3, the tax levied by
33 a city on tracts of land and improvements thereon used and
34 assessed for agricultural or horticultural purposes, shall
35 not exceed three dollars and three-eighths cents per thousand

1 dollars of assessed value in any year. Improvements located
2 on such tracts of land and not used for agricultural or
3 horticultural purposes and all residential dwellings are
4 subject to the same rate of tax levied by the city on all other
5 taxable property within the city. A

6 3. a. For fiscal years beginning before July 1, 2024, a
7 city's tax levy for the general fund shall not exceed eight
8 dollars and ten cents per thousand dollars of taxable assessed
9 value used to calculate taxes in any tax year, except for the
10 levies authorized in section 384.12.

11 b. For the fiscal year beginning July 1, 2024, a city's
12 tax levy for the general fund, except for levies authorized in
13 section 384.12, shall not exceed the sum of eight dollars and
14 ten cents per thousand dollars of taxable value plus the sum of
15 the following for the city, as applicable:

16 (1) The amount per thousand dollars of taxable value levied
17 by or on behalf of the city under section 384.8, Code 2023, for
18 the fiscal year beginning July 1, 2023.

19 (2) The total amount per thousand dollars of taxable value
20 levied by or on behalf of the city under section 384.12,
21 subsections 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 15, 16, and
22 20, Code 2023, for the fiscal year beginning July 1, 2023.

23 (3) The amount per thousand dollars of taxable value levied
24 by the city under section 24.48, Code 2023, for the fiscal year
25 beginning July 1, 2023.

26 c. (1) For each fiscal year beginning on or after July
27 1, 2025, subject to paragraph "d", a city's tax levy for the
28 general fund, except for levies authorized in section 384.12,
29 shall not exceed in any tax year the greater of eight dollars
30 and ten cents per thousand dollars of assessed value used to
31 calculate taxes for the budget year and the amount determined
32 under paragraph "b", as adjusted under subparagraph (2), if
33 applicable.

34 (2) If the total assessed value used to calculate taxes
35 for the budget year exceeds one hundred three and one-fourth

1 percent of the total assessed value used to calculate taxes for
2 the current fiscal year, the levy rate per thousand dollars
3 determined under paragraph "b", as previously adjusted under
4 this subparagraph, if applicable, shall be reduced to a rate
5 per one thousand dollars of assessed value that is equal to
6 one thousand multiplied by the quotient of the current fiscal
7 year's actual property tax dollars certified for levy under
8 this section divided by one hundred three and one-fourth
9 percent of the total assessed value used to calculate taxes for
10 the current fiscal year.

11 d. In addition to the limitation under paragraph "c", for
12 fiscal years beginning on or after July 1, 2025, if the city's
13 actual levy rate imposed under this section for the current
14 fiscal year is eight dollars and ten cents or less per thousand
15 dollars of assessed value and the total assessed value used to
16 calculate taxes for the budget year exceeds one hundred two and
17 one-half percent of the total assessed value used to calculate
18 taxes for the current fiscal year, the levy rate imposed under
19 this section for the budget year shall not exceed a rate per
20 one thousand dollars of assessed value that is equal to one
21 thousand multiplied by the quotient of the current fiscal
22 year's actual property tax dollars certified for levy under
23 this section divided by one hundred two and one-half percent
24 of the total assessed value used to calculate taxes for the
25 current fiscal year.

26 4. For purposes of this section:

27 a. "Budget year" is the fiscal year beginning during the
28 calendar year in which a budget is certified.

29 b. "Current fiscal year" is the fiscal year ending during
30 the calendar year in which a budget for the budget year is
31 certified.

32 Sec. 22. Section 384.12, Code 2023, is amended to read as
33 follows:

34 **384.12 Additional taxes.**

35 A city may certify, for the general fund levy, taxes which

1 are not subject to the limit provided in [section 384.1](#), and
2 which are in addition to any other moneys the city may wish to
3 spend for such purposes, as follows:

4 ~~1. A tax not to exceed thirteen and one-half cents~~
5 ~~per thousand dollars of assessed value for the support of~~
6 ~~instrumental or vocal musical groups, one or more organizations~~
7 ~~which have tax-exempt status under section 501(c)(3) of~~
8 ~~the Internal Revenue Code and are organized and operated~~
9 ~~exclusively for artistic and cultural purposes, or any of these~~
10 ~~purposes, subject to the following:~~

11 ~~a. Upon receipt of a petition valid under the provisions of~~
12 ~~[section 362.4](#), the council shall submit to the voters at the~~
13 ~~next regular city election the question of whether a tax shall~~
14 ~~be levied.~~

15 ~~b. If a majority approves the levy, it may be imposed.~~

16 ~~c. The levy can be eliminated by the same procedure of~~
17 ~~petition and election.~~

18 ~~d. A tax authorized by an election held prior to the~~
19 ~~effective date of the city code may be continued until~~
20 ~~eliminated by the council, or by petition and election.~~

21 ~~2. A tax not to exceed eighty-one cents per thousand dollars~~
22 ~~of assessed value for development, operation, and maintenance~~
23 ~~of a memorial building or monument, subject to the provisions~~
24 ~~of [subsection 1](#).~~

25 ~~3. A tax not to exceed thirteen and one-half cents per~~
26 ~~thousand dollars of assessed value for support of a symphony~~
27 ~~orchestra, subject to the provisions of [subsection 1](#).~~

28 ~~4. A tax not to exceed twenty-seven cents per thousand~~
29 ~~dollars of assessed value for the operation of cultural and~~
30 ~~scientific facilities, subject to the provisions of subsection~~
31 ~~1, except that the question may be submitted on the council's~~
32 ~~own motion.~~

33 ~~5. A tax to aid in the construction of a county bridge,~~
34 ~~subject to the provisions of [subsection 1](#), except that the~~
35 ~~question must be submitted at a special election. The expense~~

1 of a special election under ~~this subsection~~ must be paid by the
2 county. The notice of the special election must include full
3 details of the proposal, including the location of the proposed
4 bridge, the rate of tax to be levied, and all other conditions.

5 6. A tax to aid a company incorporated under the laws of
6 this state in the construction of a highway or combination
7 bridge across any navigable boundary river of this state,
8 commencing or terminating in the city and suitable for use
9 as highway, or for both highway and railway purposes. This
10 tax levy is subject to the provisions of ~~subsections 1 and 5~~.
11 The levy is limited to one dollar and thirty-five cents per
12 thousand dollars of the assessed value of taxable property in
13 the city. The estimated cost of the bridge must be at least
14 ten thousand dollars, and the city aid may not exceed one-half
15 of the estimated cost. The notice of the special election
16 must include the name of the corporation to be aided, and all
17 conditions required of the corporation. Tax moneys received
18 for this purpose may not be paid over by the county treasurer
19 until the city has filed a statement that the corporation has
20 complied with all conditions.

21 7. If a tax has been voted for aid of a bridge under
22 ~~subsection 6~~, a further tax may be voted for the purpose of
23 purchasing the bridge, subject to the provisions of subsection
24 1. The levy under ~~this subsection~~ is limited to three dollars
25 and thirty-seven and one-half cents per thousand dollars of the
26 assessed value of the taxable property in the city, payable in
27 not less than ten annual installments.

28 8. A tax for the purpose of carrying out the terms of a
29 contract for the use of a bridge by a city situated on a river
30 over which a bridge has been built. The tax may not exceed
31 sixty-seven and one-half cents per thousand dollars of assessed
32 value each year.

33 9. A tax for aid to a public transportation company,
34 subject to the procedure provided in ~~subsection 1~~, except the
35 question must be submitted at a special election. The levy is

1 ~~limited to three and three-eighths cents per thousand dollars~~
2 ~~of assessed value. In addition to any other conditions the~~
3 ~~following requirements must be met before moneys received for~~
4 ~~this purpose may be paid over by the county treasurer:~~

5 ~~a. The public transportation company shall provide the city~~
6 ~~with copies of state and federal income tax returns for the~~
7 ~~five years preceding the year for which payment is contemplated~~
8 ~~or for such lesser period of time as the company has been in~~
9 ~~operation.~~

10 ~~b. The city shall, in any given year, be authorized to pay~~
11 ~~over only such sums as will yield not to exceed two percent~~
12 ~~of the public transportation company's investment as the same~~
13 ~~is valued in its tax depreciation schedule, provided that~~
14 ~~corporate profits and losses for the five preceding years or~~
15 ~~for such lesser period of time as the company has been in~~
16 ~~operation shall not average in excess of a two percent net~~
17 ~~return. Taxes levied under [this subsection](#) may not be used to~~
18 ~~subsidize losses incurred prior to the election required by~~
19 ~~[this subsection](#).~~

20 ~~10. 1. A tax for the operation and maintenance of a~~
21 ~~municipal transit system or for operation and maintenance of a~~
22 ~~regional transit district, and for the creation of a reserve~~
23 ~~fund for the system or district, in an amount not to exceed~~
24 ~~ninety-five cents per thousand dollars of assessed value each~~
25 ~~year, when the revenues from the transit system or district are~~
26 ~~insufficient for such purposes.~~

27 ~~11. If a city has entered into a lease of a building or~~
28 ~~complex of buildings to be operated as a civic center, a tax~~
29 ~~sufficient to pay the installments of rent and for maintenance,~~
30 ~~insurance and taxes not included in the lease rental payments.~~

31 ~~12. A tax not to exceed thirteen and one-half cents per~~
32 ~~thousand dollars of assessed value each year for operating and~~
33 ~~maintaining a civic center owned by a city.~~

34 ~~13. A tax not to exceed six and three-fourths cents per~~
35 ~~thousand dollars of assessed value for planning a sanitary~~

1 ~~disposal project.~~

2 ~~14.~~ 2. A tax not to exceed twenty-seven cents per thousand
3 dollars of assessed value each year for an aviation authority
4 as provided in [section 330A.15](#).

5 ~~15.~~ ~~A tax not to exceed six and three-fourths cents per~~
6 ~~thousand dollars of assessed value each year for a levee~~
7 ~~improvement fund in special charter cities as provided in~~
8 ~~[section 420.155](#).~~

9 ~~16.~~ ~~A tax not to exceed twenty and one-half cents per~~
10 ~~thousand dollars of assessed value each year to maintain an~~
11 ~~institution received by gift or devise, subject to an election~~
12 ~~as required under [subsection 1](#).~~

13 ~~17.~~ 3. A tax to pay the premium costs on tort liability
14 insurance, property insurance, and any other insurance that
15 may be necessary in the operation of the city, the costs of a
16 self-insurance program, the costs of a local government risk
17 pool and amounts payable under any insurance agreements to
18 provide or procure such insurance, self-insurance program, or
19 local government risk pool.

20 ~~18.~~ ~~A tax to fund an emergency medical services district~~
21 ~~under [chapter 357G](#).~~

22 ~~19.~~ 4. A tax that exceeds any tax levy limit within this
23 chapter, provided the question has been submitted at a special
24 levy election and received a simple majority of the votes cast
25 on the proposition to authorize the enumerated levy limit to be
26 exceeded for the proposed budget year.

27 *a.* The election may be held as specified in [this subsection](#)
28 if notice is given by the city council, not later than
29 forty-six days before the first Tuesday in March, to the county
30 commissioner of elections that the election is to be held.

31 *b.* An election under [this subsection](#) shall be held on
32 the first Tuesday in March and be conducted by the county
33 commissioner of elections in accordance with the law.

34 *c.* The ballot question shall be in substantially the
35 following form:

1 WHICH TAX LEVY SHALL BE ADOPTED FOR THE CITY OF?

2 (Vote for only one of the following choices.)

3 CHANGE LEVY AMOUNT ...

4 Add to the existing levy amount a tax for the purpose of
5 (state purpose of proposed levy) at a rate of ...
6 (rate) which will provide an additional \$.... (amount).

7 KEEP CURRENT LEVY ...

8 Continue under the current maximum rate of ..., providing
9 \$.... (amount).

10 *d.* The commissioner of elections conducting the election
11 shall notify the city officials and other county auditors where
12 applicable, of the results within two days of the canvass which
13 shall be held on the second day that is not a holiday following
14 the special levy election, and beginning no earlier than 1:00
15 p.m. on that day.

16 *e.* Notice of the election shall be published twice in
17 accordance with the provisions of [section 362.3](#), except that
18 the first such notice shall be given at least two weeks before
19 the election.

20 *f.* The cost of the election shall be borne by the city.

21 *g.* The election provisions of [this subsection](#) shall
22 supersede other provisions for elections only to the extent
23 necessary to comply with the provisions of [this subsection](#).

24 *h.* The provisions of [this subsection](#) apply to all cities,
25 however organized, including special charter cities which may
26 adopt ordinances where necessary to carry out these provisions.

27 *i.* The council shall certify the city's budget with the tax
28 askings not exceeding the amount approved by the special levy
29 election.

30 ~~20. A tax not to exceed twenty-seven cents per thousand~~
31 ~~dollars of assessed value for support of a public library,~~
32 ~~subject to petition and referendum requirements of subsection~~
33 ~~1, except that if a majority approves the levy, it shall be~~
34 ~~imposed.~~

35 ~~21.~~ 5. A tax for the support of a local emergency

1 management commission established pursuant to [chapter 29C](#).

2 Sec. 23. Section 384.22, subsection 1, Code 2023, is amended
3 to read as follows:

4 1. Not later than December 1 of each year, a city shall
5 publish an annual financial report as provided in section
6 362.3 containing a summary for the preceding fiscal year of
7 all collections and receipts, all accounts due the city, and
8 all expenditures, the current public debt of the city, and the
9 legal debt limit of the city for the current fiscal year. The
10 annual financial report shall be prepared on forms and pursuant
11 to instructions prescribed by the auditor of state. Beginning
12 with the annual financial report published by December 1, 2024,
13 each report shall include a list of bonds, notes, or other
14 obligations issued by the city during the preceding fiscal year
15 payable from any source, including the amount of the issuance,
16 the project or purpose of the issuance, whether the issuance
17 was approved at election, eligible to be subject to a petition
18 for an election, or was exempt from approval at election as
19 the result of statutory exclusions based on population of the
20 city or amount of the issuance, and identification of issuances
21 from the fiscal year or prior fiscal years related to the same
22 project or purpose.

23 Sec. 24. Section 384.24, subsection 4, paragraph i, Code
24 2023, is amended by striking the paragraph.

25 Sec. 25. Section 384.24A, subsection 4, paragraph a,
26 subparagraphs (1), (2), and (3), Code 2023, are amended to read
27 as follows:

28 (1) ~~Four~~ Five hundred twenty thousand dollars in a city
29 having a population of five thousand or less.

30 (2) ~~Seven~~ Nine hundred ten thousand dollars in a city having
31 a population of more than five thousand but not more than
32 seventy-five thousand.

33 (3) One million three hundred thousand dollars in a city
34 having a population of more than seventy-five thousand.

35 Sec. 26. Section 384.25, subsection 2, Code 2023, is amended

1 to read as follows:

2 2. Before the council may institute proceedings for the
3 issuance of bonds for an essential corporate purpose, a notice
4 of the proposed action, including a statement of the amount
5 and purposes of the bonds, and an estimate of the annual
6 increase in property taxes as the result of the bond issuance
7 on a residential property with an actual value of one hundred
8 thousand dollars, and the time and place of the meeting at
9 which the council proposes to take action for the issuance of
10 the bonds, must be published as provided in [section 362.3](#).
11 At the meeting, the council shall receive oral or written
12 objections from any resident or property owner of the city.
13 After all objections have been received and considered, the
14 council may, at that meeting or any adjournment thereof, take
15 additional action for the issuance of the bonds or abandon the
16 proposal to issue the bonds. Any resident or property owner
17 of the city may appeal the decision of the council to take
18 additional action to the district court of the county in which
19 any part of the city is located, within fifteen days after the
20 additional action is taken, but the additional action of the
21 council is final and conclusive unless the court finds that
22 the council exceeded its authority. The provisions of this
23 subsection with respect to notice, hearing, and appeal, are in
24 lieu of the provisions contained in [chapter 73A](#), or any other
25 law.

26 Sec. 27. Section 384.26, subsection 2, Code 2023, is amended
27 to read as follows:

28 2. a. The board shall publish notice of the proposal
29 to issue the bonds, including a statement of the amount and
30 purpose of the bonds, a statement of the estimated cost of the
31 project for which the bonds are to be issued, and an estimate
32 of the annual increase in property taxes as the result of
33 the bond issuance on a residential property with an actual
34 value of one hundred thousand dollars. The notice shall be
35 published as provided in section 362.3 with the minutes of

1 the meeting at which the council adopts a resolution to call
2 a special election to vote upon the question of issuing the
3 bonds. The cost of the project, as published in the notice
4 pursuant to this paragraph, is an estimate and is not intended
5 to be binding on the board in later proceedings related to the
6 project.

7 b. Before the council may institute proceedings for the
8 issuance of bonds for a general corporate purpose, it shall
9 call a special city election to vote upon the question of
10 issuing the bonds. At the election the proposition must be
11 submitted in the following form:

12 Shall the (insert the name of the city) issue
13 its bonds in an amount not exceeding the amount of \$.... for
14 the purpose of?

15 Sec. 28. Section 384.26, subsection 5, paragraph a,
16 subparagraphs (1), (2), and (3), Code 2023, are amended to read
17 as follows:

18 (1) In cities having a population of five thousand or less,
19 in an amount of not more than ~~four~~ five hundred twenty thousand
20 dollars.

21 (2) In cities having a population of more than five thousand
22 and not more than seventy-five thousand, in an amount of not
23 more than ~~seven~~ nine hundred ten thousand dollars.

24 (3) In cities having a population in excess of seventy-five
25 thousand, in an amount of not more than one million three
26 hundred thousand dollars.

27 Sec. 29. Section 384.110, Code 2023, is amended to read as
28 follows:

29 **384.110 Insurance, self-insurance, and risk pooling funds.**

30 A city may credit funds to a fund or funds for the purposes
31 authorized by **section 364.4, subsection 5**; section 384.12,
32 subsection ~~17~~ **3**; or **section 384.24, subsection 3**, paragraph "s".
33 Moneys credited to the fund or funds, and interest earned on
34 such moneys, shall remain in the fund or funds until expended
35 for purposes authorized by **section 364.4, subsection 5**; section

1 384.12, subsection ~~17~~ 3; or [section 384.24, subsection 3](#),
2 paragraph "s".

3 Sec. 30. REPEAL. Section 384.8, Code 2023, is repealed.

4 Sec. 31. EFFECTIVE DATE. This division of this Act takes
5 effect July 1, 2024.

6 Sec. 32. APPLICABILITY. This division of this Act applies
7 to taxes and budgets for fiscal years beginning on or after
8 July 1, 2024.

9 DIVISION III

10 PUBLIC EDUCATION AND RECREATION TAX LEVY

11 Sec. 33. Section 276.1, Code 2023, is amended to read as
12 follows:

13 **276.1 Title.**

14 This section, [sections 276.2 through 276.5](#), and sections
15 [276.8 through ~~276.11~~ 276.10](#) of [this chapter](#) shall be known and
16 may be cited as the "*Iowa Community Education Act*".

17 Sec. 34. Section 276.3, unnumbered paragraph 1, Code 2023,
18 is amended to read as follows:

19 As used in [sections 276.1, 276.2, this section](#), sections
20 [276.4, 276.5](#), and [sections 276.8 through ~~276.11~~ 276.10](#), unless
21 the context otherwise requires:

22 Sec. 35. Section 276.10, subsection 1, Code 2023, is amended
23 to read as follows:

24 1. The board of directors of a local school district
25 may establish a community education program for schools in
26 the district and provide for the general supervision of the
27 program. Financial support for the program ~~shall~~ may be
28 provided from funds ~~raised pursuant to [chapter 300](#)~~ received by
29 the school district under [chapter 423F](#) and from any private
30 funds and any federal funds made available for the purpose of
31 implementing [this chapter](#). The program which recognizes that
32 the schools belong to the people and which shall be centered
33 in the schools may include but shall not be limited to the use
34 of the school facilities day and night, year round including
35 weekends and regular school vacation periods for educational,

1 recreational, cultural, and other community services and
2 programs for all age, ethnic, and socioeconomic groups residing
3 in the community.

4 Sec. 36. Section 278.1, subsection 1, paragraph e, Code
5 2023, is amended to read as follows:

6 e. Direct the transfer of any surplus in the debt service
7 fund, physical plant and equipment levy fund, or other capital
8 project funds, ~~or public education and recreation levy fund~~ to
9 the general fund.

10 Sec. 37. Section 298A.6, Code 2023, is amended to read as
11 follows:

12 **298A.6 Public education and recreation levy fund.**

13 The public education and recreation levy fund is a special
14 revenue fund. A public education and recreation levy fund
15 must be established in any school corporation which levies
16 levied the tax authorized under section 300.2, Code 2023, or
17 which ~~receives~~ received revenue from a chapter 28E agreement
18 authorized under section 300.1, Code 2023. Moneys available in
19 the fund at the conclusion of the fiscal year beginning July 1,
20 2026, and ending June 30, 2027, shall be expended by the school
21 corporation for the purposes authorized under chapter 300, Code
22 2023.

23 Sec. 38. Section 300.2, Code 2023, is amended by adding the
24 following new subsection:

25 NEW SUBSECTION. 4. a. A levy under this chapter shall not
26 be approved by the voters on or after the effective date of
27 this section of this division of this Act.

28 b. If the levy has not been discontinued under section
29 300.3, the authorization to impose the levy under this chapter
30 shall terminate July 1, 2027.

31 c. Notwithstanding subsection 2, including a proposition
32 approved at an election held before the effective date of
33 this section of this division of this Act, the rate of a levy
34 imposed by a board of directors under this chapter for the
35 fiscal year beginning July 1, 2026, shall not exceed one-half

1 of the levy rate imposed by the board of directors for the
2 fiscal year beginning July 1, 2025.

3 Sec. 39. Section 423F.3, subsection 1, paragraph c, Code
4 2023, is amended by striking the paragraph.

5 Sec. 40. Section 423F.5, subsection 1, Code 2023, is amended
6 to read as follows:

7 1. A school district shall include as part of its financial
8 audit for the budget year beginning July 1, 2007, and for
9 each subsequent budget year the amount received during the
10 year pursuant to [chapter 423E](#) or [this chapter](#), as applicable.
11 In addition, the financial audit shall include the amount
12 of bond levies, and physical plant and equipment levy, ~~and~~
13 ~~public educational and recreational levy~~ reduced as a result
14 of the moneys received under [chapter 423E](#) or [this chapter](#),
15 as applicable. The amount of the reductions shall be stated
16 in terms of dollars and cents per one thousand dollars of
17 valuation and in total amount of property tax dollars. Also
18 included shall be an accounting of the amount of moneys
19 received which were spent for infrastructure purposes pursuant
20 to [chapter 423E](#) or [this chapter](#), as applicable.

21 Sec. 41. REPEAL. Sections 276.11 and 276.12, Code 2023,
22 are repealed.

23 Sec. 42. REPEAL. Chapter 300, Code 2023, is repealed.

24 Sec. 43. EFFECTIVE DATE. Except as otherwise provided in
25 this division of this Act, this division of this Act takes
26 effect July 1, 2027.

27 Sec. 44. EFFECTIVE DATE. The following, being deemed of
28 immediate importance, takes effect upon enactment:

29 The section of this division of this Act enacting section
30 300.2, subsection 4.

31 Sec. 45. APPLICABILITY. Except for the section of this
32 division of this Act enacting section 300.2, subsection 4, this
33 division of this Act applies to fiscal years beginning on or
34 after July 1, 2027.

35

DIVISION IV

1 BRUCellosIS AND TUBERCULOSIS ERADICATION FUND — LEVY

2 Sec. 46. Section 165.18, subsections 2 and 3, Code 2023, are
3 amended by striking the subsections.

4 Sec. 47. Section 331.512, subsection 1, paragraph e, Code
5 2023, is amended by striking the paragraph.

6 Sec. 48. Section 331.559, subsection 2, Code 2023, is
7 amended by striking the subsection.

8 Sec. 49. EFFECTIVE DATE. This division of this Act takes
9 effect July 1, 2024.

10 Sec. 50. APPLICABILITY. This division of this Act applies
11 to property taxes due and payable in fiscal years beginning on
12 or after July 1, 2024.

13 DIVISION V

14 COUNTY SEATS

15 Sec. 51. Section 331.301, Code 2023, is amended by adding
16 the following new subsection:

17 NEW SUBSECTION. 9A. Pursuant to the general grant of home
18 rule power conferred by the Constitution of the State of Iowa
19 and if not inconsistent with the laws of the general assembly,
20 a county that has designated more than one city to be a county
21 seat may consolidate or reduce the number of county seats by
22 ordinance.

23 Sec. 52. REPEAL. 1848 Iowa Acts, First Extraordinary
24 Session, chapter 52, is repealed.

25 Sec. 53. EFFECTIVE DATE. This division of this Act, being
26 deemed of immediate importance, takes effect upon enactment.

27 DIVISION VI

28 COUNTY SHERIFF FEE REPORT

29 Sec. 54. Section 331.655, subsection 5, Code 2023, is
30 amended by striking the subsection.

31 DIVISION VII

32 HOMESTEAD PROPERTY TAX CREDIT

33 Sec. 55. Section 2.48, subsection 3, paragraph f,
34 subparagraph (1), Code 2023, is amended to read as follows:

35 (1) The homestead tax exemption and credit under chapter

1 425.

2 Sec. 56. Section 103.22, subsection 7, Code 2023, is amended
3 to read as follows:

4 7. Prohibit an owner of property from performing work on the
5 owner's principal residence, if such residence is an existing
6 dwelling rather than new construction and is not an apartment
7 that is attached to any other apartment or building, as those
8 terms are defined in [section 499B.2](#), and is not larger than a
9 single-family dwelling, or require such owner to be licensed
10 under [this chapter](#). In order to qualify for inapplicability
11 pursuant to [this subsection](#), a residence shall qualify for the
12 homestead tax exemption credit.

13 Sec. 57. Section 105.11, subsection 3, Code 2023, is amended
14 to read as follows:

15 3. Prohibit an owner of property from performing work on the
16 owner's principal residence, if such residence is an existing
17 dwelling rather than new construction and is not larger than a
18 single-family dwelling, or farm property, excluding commercial
19 or industrial installations or installations in public use
20 buildings or facilities, or require such owner to be licensed
21 under [this chapter](#). In order to qualify for inapplicability
22 pursuant to [this subsection](#), a residence shall qualify for the
23 homestead tax exemption credit.

24 Sec. 58. Section 331.401, subsection 1, paragraphs e and f,
25 Code 2023, are amended to read as follows:

26 e. Adopt resolutions authorizing the county assessor
27 to provide forms for homestead tax exemption and credit
28 claimants as provided in [section 425.2](#) and military service tax
29 exemptions as provided in [section 426A.14](#).

30 f. Examine and allow or disallow claims for homestead tax
31 exemption and credit in accordance with [section 425.3](#) and
32 claims for military service tax exemption in accordance with
33 chapter 426A. The board, by a single resolution, may allow or
34 disallow the exemptions recommended by the assessor.

35 Sec. 59. Section 331.512, subsection 3, Code 2023, is

1 amended to read as follows:

2 3. Carry out duties relating to the homestead tax exemption
3 and credit and agricultural land tax credit as provided in
4 chapters 425 and 426.

5 Sec. 60. Section 331.559, subsection 12, Code 2023, is
6 amended to read as follows:

7 12. Carry out duties relating to the administration of
8 the homestead tax exemption and credit and other credits as
9 provided in sections 425.4, 425.5, 425.7, 425.9, 425.10, and
10 425.25.

11 Sec. 61. NEW SECTION. 425.1A Homestead tax exemption.

12 1. The following exemptions from taxation shall be allowed
13 in addition to the homestead credit for an owner that has
14 attained the age of sixty-five years by January 1 of the
15 assessment year:

16 a. For the assessment year beginning January 1, 2024, the
17 eligible homestead, not to exceed three thousand two hundred
18 fifty dollars in taxable value.

19 b. For the assessment year beginning January 1, 2025, and
20 each succeeding assessment year, the eligible homestead, not to
21 exceed six thousand five hundred dollars in taxable value.

22 2. Section 25B.7, subsection 1, shall not apply to the
23 property tax exemption provided in this section.

24 Sec. 62. Section 425.2, Code 2023, is amended by adding the
25 following new subsection:

26 NEW SUBSECTION. 3A. The form for claiming the credit shall
27 also include the ability to claim the exemption under section
28 425.1A for qualified owners. If the claim for the homestead
29 credit is allowed, such allowance shall also include allowance
30 of the homestead exemption if the owner meets the age criteria
31 for the exemption. The homestead exemption shall be allowed
32 for successive years without further filing in the same manner
33 as the homestead credit.

34 Sec. 63. Section 425.3, subsection 4, Code 2023, is amended
35 to read as follows:

1 4. The county auditor shall forward the claims to the board
2 of supervisors. The board shall allow or disallow the claims.
3 If the board disallows a claim, it shall send written notice,
4 by mail, to the claimant at the claimant's last known address.
5 The notice shall state the reasons for disallowing the claim
6 ~~for the credit~~. The board is not required to send notice that
7 a claim is disallowed if the claimant voluntarily withdraws the
8 claim.

9 Sec. 64. Section 425.4, Code 2023, is amended to read as
10 follows:

11 **425.4 Certification to treasurer.**

12 All claims which have been allowed by the board of
13 supervisors shall be certified on or before August 1, in each
14 year, by the county auditor to the county treasurer, which
15 certificates shall list the total amount of dollars, listed by
16 taxing district in the county, due for homestead tax exemptions
17 and credits claimed and allowed. The county treasurer shall
18 ~~forthwith~~ then certify to the department of revenue the total
19 amount of dollars, listed by taxing district in the county, due
20 for homestead tax exemptions and credits claimed and allowed.

21 Sec. 65. Section 425.6, Code 2023, is amended to read as
22 follows:

23 **425.6 Waiver by neglect.**

24 If a person fails to file a claim or to have a claim on file
25 with the assessor for the credits provided in [this subchapter](#),
26 the person is deemed to have waived the homestead exemption
27 and credit for the year in which the person failed to file the
28 claim or to have a claim on file with the assessor.

29 Sec. 66. Section 425.7, subsection 3, Code 2023, is amended
30 to read as follows:

31 3. a. If the department of revenue determines that a claim
32 for homestead exemption and credit has been allowed by the
33 board of supervisors which is not justifiable under the law
34 and not substantiated by proper facts, the department may, at
35 any time within thirty-six months from July 1 of the year in

1 which the claim is allowed, set aside the allowance. Notice
2 of the disallowance shall be given to the county auditor of
3 the county in which the claim has been improperly granted and
4 a written notice of the disallowance shall also be addressed
5 to the claimant at the claimant's last known address. The
6 claimant or board of supervisors may appeal to the director
7 of revenue within thirty days from the date of the notice of
8 disallowance. The director shall grant a hearing and if, upon
9 the hearing, the director determines that the disallowance was
10 incorrect, the director shall set aside the disallowance. The
11 director shall notify the claimant and the board of supervisors
12 of the result of the hearing. The claimant or the board of
13 supervisors may seek judicial review of the action of the
14 director of revenue in accordance with [chapter 17A](#).

15 *b.* If a claim is disallowed by the department of revenue
16 and not appealed to the director of revenue or appealed to
17 the director of revenue and thereafter upheld upon final
18 resolution, including any judicial review, any amounts of
19 exemptions allowed and credits allowed and paid from the
20 homestead credit fund including the penalty, if any, become a
21 lien upon the property on which the exemption or credit was
22 originally granted, if still in the hands of the claimant,
23 and not in the hands of a bona fide purchaser, and any amount
24 so erroneously paid including the penalty, if any, shall be
25 collected by the county treasurer in the same manner as other
26 taxes and the collections shall be returned to the department
27 of revenue and credited to the homestead credit fund. The
28 director of revenue may institute legal proceedings against a
29 homestead credit claimant for the collection of payments made
30 on disallowed credits and the penalty, if any. If a person
31 makes a false claim or affidavit with fraudulent intent to
32 obtain the homestead exemption or credit, the person is guilty
33 of a fraudulent practice and the claim shall be disallowed
34 in full. If the credit has been paid, the amount of the
35 credit plus a penalty equal to twenty-five percent of the

1 amount of credit plus interest, at the rate in effect under
2 section 421.7, from the time of payment shall be collected
3 by the county treasurer in the same manner as other property
4 taxes, penalty, and interest are collected and when collected
5 shall be paid to the director of revenue. If a homestead
6 exemption or credit is disallowed and the claimant failed to
7 give written notice to the assessor as required by section
8 425.2 when the property ceased to be used as a homestead by the
9 claimant, a civil penalty equal to five percent of the amount
10 of the disallowed exemption or credit is assessed against the
11 claimant.

12 Sec. 67. Section 425.9, subsections 2, 3, and 4, Code 2023,
13 are amended to read as follows:

14 2. If any claim for exemption or credit ~~made hereunder~~
15 has been denied by the board of supervisors, and such action
16 is subsequently reversed on appeal, the exemption or credit
17 shall be allowed on the homestead involved in said appeal, and
18 the director of revenue, the county auditor, and the county
19 treasurer shall make such exemption or credit and change their
20 books and records accordingly.

21 3. In the event the appealing taxpayer has paid one or both
22 of the installments of the tax payable in the year or years in
23 question on such homestead valuation, remittance shall be made
24 to such taxpayer of the amount of such credit or exemption.

25 4. The amount of such credit shall be allocated and paid
26 from the surplus redeposited in the homestead credit fund
27 provided for in subsection 1. The amount of such exemption not
28 covered by the credit shall be allowed as a credit on future
29 taxes due and payable.

30 Sec. 68. Section 425.10, Code 2023, is amended to read as
31 follows:

32 **425.10 Reversal of allowed claim.**

33 In the event any claim is allowed, and subsequently reversed
34 on appeal, any exemption and credit made under the claim
35 shall be void. The amount of the erroneous exemption and

1 credit shall be charged against the property in question, and
2 the director of revenue, the county auditor, and the county
3 treasurer are authorized and directed to correct their books
4 and records accordingly. The amount of the erroneous credit,
5 when collected, shall be returned by the county treasurer to
6 the homestead credit fund to be reallocated the following year
7 as provided in [this subchapter](#).

8 Sec. 69. Section 425.11, subsection 1, paragraph d,
9 subparagraph (3), Code 2023, is amended to read as follows:

10 (3) It must not embrace more than one dwelling house, but
11 where a homestead has more than one dwelling house situated
12 thereon, the exemption and credit provided for in this
13 subchapter shall apply to the home and buildings used by the
14 owner, but shall not apply to any other dwelling house and
15 buildings appurtenant.

16 Sec. 70. Section 425.11, subsection 1, paragraph e, Code
17 2023, is amended to read as follows:

18 e. "Owner" means the person who holds the fee simple
19 title to the homestead, and in addition shall mean the person
20 occupying as a surviving spouse or the person occupying under
21 a contract of purchase which contract has been recorded in
22 the office of the county recorder of the county in which the
23 property is located; or the person occupying the homestead
24 under devise or by operation of the inheritance laws where
25 the whole interest passes or where the divided interest is
26 shared only by persons related or formerly related to each
27 other by blood, marriage or adoption; or the person occupying
28 the homestead is a shareholder of a family farm corporation
29 that owns the property; or the person occupying the homestead
30 under a deed which conveys a divided interest where the divided
31 interest is shared only by persons related or formerly related
32 to each other by blood, marriage or adoption; or where the
33 person occupying the homestead holds a life estate with the
34 reversion interest held by a nonprofit corporation organized
35 under [chapter 504](#), provided that the holder of the life estate

1 is liable for and pays property tax on the homestead; or where
2 the person occupying the homestead holds an interest in a
3 horizontal property regime under [chapter 499B](#), regardless
4 of whether the underlying land committed to the horizontal
5 property regime is in fee or as a leasehold interest, provided
6 that the holder of the interest in the horizontal property
7 regime is liable for and pays property tax on the homestead;
8 or where the person occupying the homestead is a member of a
9 community land trust as defined in 42 U.S.C. §12773, regardless
10 of whether the underlying land is in fee or as a leasehold
11 interest, provided that the member of the community land trust
12 is occupying the homestead and is liable for and pays property
13 tax on the homestead. For the purpose of [this subchapter](#),
14 the word "owner" shall be construed to mean a bona fide owner
15 and not one for the purpose only of availing the person of
16 the benefits of [this subchapter](#). In order to qualify for the
17 homestead tax exemption and credit, evidence of ownership shall
18 be on file in the office of the clerk of the district court
19 or recorded in the office of the county recorder at the time
20 the owner files with the assessor a verified statement of the
21 homestead claimed by the owner as provided in [section 425.2](#).

22 Sec. 71. Section 425.12, Code 2023, is amended to read as
23 follows:

24 **425.12 Indian land.**

25 Each forty acres of land, or fraction thereof, occupied by
26 a member or members of the Sac and Fox Indians in Tama county,
27 which land is held in trust by the secretary of the interior of
28 the United States for said Indians, shall be given a homestead
29 tax exemption and credit within the meaning and under the
30 provisions of [this subchapter](#). Application for such homestead
31 tax exemption and credit shall be made to the county auditor of
32 Tama county and may be made by a representative of the tribal
33 council.

34 Sec. 72. Section 425.13, Code 2023, is amended to read as
35 follows:

1 **425.13 Conspiracy to defraud.**

2 If any two or more persons conspire and confederate together
3 with fraudulent intent to obtain the exemption or credit
4 provided for under the terms of **this subchapter** by making a
5 false deed, or a false contract of purchase, they are guilty of
6 a fraudulent practice.

7 Sec. 73. Section 425.16, subsection 1, Code 2023, is amended
8 to read as follows:

9 1. In addition to the homestead tax credit allowed under
10 section 425.1, subsections 1 through 4, and the homestead
11 exemption under section 425.1A, if applicable, persons who
12 own or rent their homesteads and who meet the qualifications
13 provided in **this subchapter** are eligible for a property
14 tax credit for property taxes due or reimbursement of rent
15 constituting property taxes paid.

16 Sec. 74. Section 425.17, subsections 4 and 8, Code 2023, are
17 amended to read as follows:

18 4. "*Homestead*" means the dwelling owned or rented and
19 actually used as a home by the claimant during the period
20 specified in **subsection 2**, and so much of the land surrounding
21 it including one or more contiguous lots or tracts of land,
22 as is reasonably necessary for use of the dwelling as a home,
23 and may consist of a part of a multidwelling or multipurpose
24 building and a part of the land upon which it is built. It
25 does not include personal property except that a manufactured
26 or mobile home may be a homestead. Any dwelling or a part of
27 a multidwelling or multipurpose building which is exempt from
28 taxation, except for an exemption under section 425.1A, does
29 not qualify as a homestead under **this subchapter**. However,
30 solely for purposes of claimants living in a property and
31 receiving reimbursement for rent constituting property taxes
32 paid immediately before the property becomes tax exempt, and
33 continuing to live in it after it becomes tax exempt, the
34 property shall continue to be classified as a homestead.
35 A homestead must be located in this state. When a person

1 is confined in a nursing home, extended-care facility, or
2 hospital, the person shall be considered as occupying or living
3 in the person's homestead if the person is the owner of the
4 homestead and the person maintains the homestead and does not
5 lease, rent, or otherwise receive profits from other persons
6 for the use of the homestead.

7 8. "*Property taxes due*" means property taxes including any
8 special assessments, but exclusive of delinquent interest and
9 charges for services, due on a claimant's homestead in this
10 state, but includes only property taxes for which the claimant
11 is liable and which will actually be paid by the claimant.
12 However, if the claimant is a person whose property taxes have
13 been suspended under [sections 427.8 and 427.9](#), "*property taxes*
14 *due*" means property taxes including any special assessments,
15 but exclusive of delinquent interest and charges for services,
16 due on a claimant's homestead in this state, but includes only
17 property taxes for which the claimant is liable and which would
18 have to be paid by the claimant if the payment of the taxes
19 has not been suspended pursuant to [sections 427.8 and 427.9](#).
20 "*Property taxes due*" shall be computed with no deduction for
21 any credit under [this subchapter](#) or for any homestead exemption
22 under section 425.1A or credit allowed under ~~section 425.1~~
23 subchapter I. Each claim shall be based upon the taxes due
24 during the fiscal year next following the base year. If a
25 homestead is owned by two or more persons as joint tenants or
26 tenants in common, and one or more persons are not members
27 of claimant's household, "*property taxes due*" is that part of
28 property taxes due on the homestead which equals the ownership
29 percentage of the claimant and the claimant's household. The
30 county treasurer shall include with the tax receipt a statement
31 that if the owner of the property is eighteen years of age
32 or over, the person may be eligible for the credit allowed
33 under [this subchapter](#). If a homestead is an integral part
34 of a farm, the claimant may use the total property taxes due
35 for the larger unit. If a homestead is an integral part of a

1 multidwelling or multipurpose building the property taxes due
2 for the purpose of [this subsection](#) shall be prorated to reflect
3 the portion which the value of the property that the household
4 occupies as its homestead is to the value of the entire
5 structure. For purposes of [this subsection](#), "unit" refers to
6 that parcel of property covered by a single tax statement of
7 which the homestead is a part.

8 Sec. 75. Section 435.26, subsection 1, paragraph a, Code
9 2023, is amended to read as follows:

10 a. A mobile home or manufactured home which is located
11 outside a manufactured home community or mobile home park shall
12 be converted to real estate by being placed on a permanent
13 foundation and shall be assessed for real estate taxes. A
14 home, after conversion to real estate, is eligible for the
15 homestead tax exemption and credit and the military service
16 tax exemption as provided in ~~sections 425.2 and chapter 425,~~
17 subchapter I, and section 426A.11. A taxable mobile home or
18 manufactured home which is located outside of a manufactured
19 home community or mobile home park as of January 1, 1995, is
20 also exempt from the permanent foundation requirements of this
21 chapter until the home is relocated.

22 Sec. 76. Section 435.26A, subsection 3, Code 2023, is
23 amended to read as follows:

24 3. After the surrender of a manufactured home's certificate
25 of title under [this section](#), the manufactured home shall
26 continue to be taxed under [section 435.22](#) and is not eligible
27 for the homestead tax exemption and credit or the military
28 service tax exemption and credit. A foreclosure action on a
29 manufactured home whose title has been surrendered under this
30 section shall be conducted as a real estate foreclosure. A tax
31 lien and its priority shall remain the same on a manufactured
32 home after its certificate of title has been surrendered.

33 Sec. 77. Section 499A.14, Code 2023, is amended to read as
34 follows:

35 **499A.14 Taxation.**

1 The real estate shall be taxed in the name of the
2 cooperative, and each member of the cooperative shall pay
3 that member's proportionate share of the tax in accordance
4 with the proration formula set forth in the bylaws, and each
5 member occupying an apartment as a residence shall receive
6 that member's proportionate homestead tax exemption and credit
7 and each veteran of the military services of the United States
8 identified as such under the laws of the state of Iowa or the
9 United States shall receive as a credit that member's veterans
10 tax benefit as prescribed by the laws of the state of Iowa.

11 Sec. 78. EXISTING HOMESTEAD CLAIMS. Homestead credit
12 claims approved under chapter 425, subchapter I, prior to and
13 valid on the effective date of this division of this Act shall
14 result in a homestead exemption under chapter 425, subchapter
15 I, as enacted in this division of this Act, without further
16 filing by the claimant if the claimant meets the criteria for
17 the exemption and the assessor has appropriate information to
18 verify such eligibility.

19 Sec. 79. APPLICABILITY. This division of this Act applies
20 to assessment years beginning on or after January 1, 2024.

21 DIVISION VIII

22 ELDERLY PROPERTY TAX CREDIT

23 Sec. 80. Section 425.23, subsection 1, paragraph c,
24 subparagraph (2), Code 2023, is amended to read as follows:

25 (2) The difference between the actual amount of net
26 property taxes ~~due~~ on the homestead during the fiscal year next
27 following the base year minus the actual amount of net property
28 taxes ~~due~~ on the homestead during the first fiscal year for
29 which the claimant filed a claim for a credit calculated under
30 this paragraph "c" and for which the property taxes ~~due~~ on the
31 homestead were calculated on an assessed valuation that was
32 not a partial assessment and if the claimant has filed for the
33 credit calculated under this paragraph "c" for each of the
34 subsequent fiscal years after the first credit claimed.

35 Sec. 81. Section 425.23, subsection 2, Code 2023, is amended

1 to read as follows:

2 2. a. The Except as provided in paragraph "b", the
3 actual credit for property taxes due shall be determined
4 by subtracting from the tentative credit the amount of the
5 homestead credit under [section 425.1](#) which is allowed as a
6 credit against property taxes due in the fiscal year next
7 following the base year by the claimant or any person of
8 the claimant's household. If the subtraction produces a
9 negative amount, there shall be no credit but no refund shall
10 be required. The actual reimbursement for rent constituting
11 property taxes paid shall be equal to the tentative
12 reimbursement.

13 b. If the claimant's tentative credit is the amount
14 determined under subsection 1, paragraph "c", subparagraph (2),
15 the actual credit amount shall be equal to the tentative credit
16 amount.

17 Sec. 82. EFFECTIVE DATE. This division of this Act, being
18 deemed of immediate importance, takes effect upon enactment.

19 Sec. 83. RETROACTIVE APPLICABILITY. This division of
20 this Act applies retroactively to claims under chapter 425,
21 subchapter II, filed on or after January 1, 2022.

22 DIVISION IX

23 MILITARY SERVICE PROPERTY TAX EXEMPTION AND CREDIT

24 Sec. 84. Section 25B.7, subsection 2, paragraph c, Code
25 2023, is amended by striking the paragraph.

26 Sec. 85. Section 426A.1A, Code 2023, is amended to read as
27 follows:

28 **426A.1A Appropriation.**

29 There For each fiscal year beginning before July 1, 2025,
30 there is appropriated from the general fund of the state the
31 amounts necessary to fund the credits provided under this
32 chapter.

33 Sec. 86. Section 426A.2, Code 2023, is amended to read as
34 follows:

35 **426A.2 Military service tax credit.**

1 ~~The~~ For each fiscal year beginning before July 1, 2025, the
2 moneys appropriated under section 426A.1A shall be apportioned
3 each year so as to replace all or a portion of the tax which
4 would be due on property eligible for military service tax
5 exemption in the state, if the property were subject to
6 taxation, the amount of the credit to be not more than six
7 dollars and ninety-two cents per thousand dollars of assessed
8 value of property which would be subject to the tax, except for
9 the military service tax exemption.

10 Sec. 87. Section 426A.11, subsections 1 and 2, Code 2023,
11 are amended to read as follows:

12 1. The property, not to exceed two thousand seven hundred
13 seventy-eight dollars in taxable value for assessment years
14 beginning before January 1, 2024, of any veteran, as defined in
15 section 35.1, of World War I.

16 2. a. The property, not to exceed one thousand eight
17 hundred fifty-two dollars in taxable value for assessment years
18 beginning before January 1, 2024, of an honorably separated,
19 retired, furloughed to a reserve, placed on inactive status,
20 or discharged veteran, as defined in section 35.1, subsection
21 2, paragraph "a" or "b".

22 b. The property, not to exceed four thousand dollars in
23 taxable value for the assessment years beginning on or after
24 January 1, 2024, of an honorably separated, retired, furloughed
25 to a reserve, placed on inactive status, or discharged veteran,
26 as defined in section 35.1, subsection 2, paragraph "a" or "b".

27 Sec. 88. IMPLEMENTATION. Section 25B.7, subsection 1,
28 shall not apply to the property tax exemption provided in this
29 Act.

30 Sec. 89. APPLICABILITY. This division of this Act applies
31 to assessment years beginning on or after January 1, 2024.

32 DIVISION X

33 PROPERTY TAX BENEFITS AND INCENTIVES

34 Sec. 90. NEW SECTION. 404.3C Assessment agreements —
35 commercial property.

1 1. For revitalization areas established under this chapter
2 on or after the effective date of this division of this Act
3 and for first-year exemption applications for property located
4 in a revitalization area in existence on the effective date
5 of this division of this Act filed on or after the effective
6 date of this division of this Act, commercial property shall
7 not receive a tax exemption under this chapter unless the city
8 or county, as applicable, and the owner of the qualified real
9 estate enter into a written assessment agreement specifying a
10 minimum actual value until a specified termination date for the
11 duration of the exemption period.

12 2. a. The assessment agreement shall be presented to the
13 appropriate assessor. The assessor shall review the plans and
14 specifications for the improvements to be made to the property
15 and if the minimum actual value contained in the assessment
16 agreement appears to be reasonable, the assessor shall execute
17 the following certification upon the agreement:

18 The undersigned assessor, being legally responsible for the
19 assessment of the above described property upon completion of
20 the improvements to be made on it, certifies that the actual
21 value assigned to that land and improvements upon completion
22 shall not be less than \$.....

23 b. The assessment agreement with the certification of
24 the assessor and a copy of this subsection shall be filed in
25 the office of the county recorder of the county where the
26 property is located. Upon completion of the improvements,
27 the assessor shall value the property as required by law,
28 except that the actual value shall not be less than the minimum
29 actual value contained in the assessment agreement. This
30 subsection does not prohibit the assessor from assigning a
31 higher actual value to the property or prohibit the owner
32 from seeking administrative or legal remedies to reduce the
33 actual value assigned except that the actual value shall not
34 be reduced below the minimum actual value contained in the
35 assessment agreement. An assessor, county auditor, board of

1 review, director of revenue, or court of this state shall not
2 reduce or order the reduction of the actual value below the
3 minimum actual value in the agreement during the term of the
4 agreement regardless of the actual value which may result from
5 the incomplete construction of improvements, destruction or
6 diminution by any cause, insured or uninsured, except in the
7 case of acquisition or reacquisition of the property by a
8 public entity. Recording of an assessment agreement complying
9 with this subsection constitutes notice of the assessment
10 agreement to a subsequent purchaser or encumbrancer of the land
11 or any part of it, whether voluntary or involuntary, and is
12 binding upon a subsequent purchaser or encumbrancer.

13 Sec. 91. NEW SECTION. **404.3D Exemptions for residential**
14 **property.**

15 For revitalization areas established under this chapter on
16 or after the effective date of this division of this Act and
17 for first-year exemption applications for property located in a
18 revitalization area in existence on the effective date of this
19 division of this Act filed on or after the effective date of
20 this division of this Act, an exemption authorized under this
21 chapter for property that is residential property shall not
22 apply to property tax levies imposed by a school district.

23 Sec. 92. **EFFECTIVE DATE.** This division of this Act takes
24 effect July 1, 2024.

25 **DIVISION XI**
26 **TRANSIT FUNDING**

27 Sec. 93. Section 364.2, subsection 4, paragraph f,
28 subparagraph (1), subparagraph division (b), Code 2023, is
29 amended to read as follows:

30 (b) For franchise fees assessed and collected during fiscal
31 years beginning on or after July 1, ~~2013~~ 2024, ~~but before~~
32 ~~July 1, 2030,~~ by a city that is the subject of a judgment,
33 ~~court-approved settlement, or court-approved compromise~~
34 ~~providing for payment of restitution, a refund, or a return~~
35 ~~described in section 384.3A, subsection 3, paragraph "j" with~~

1 a population exceeding two hundred thousand, the rate of the
2 franchise fee shall not exceed seven and one-half percent
3 of gross revenues generated from sales of the franchisee in
4 the city, and franchise fee amounts assessed and collected
5 ~~during such fiscal years~~ in excess of five percent of gross
6 revenues generated from sales shall be used solely for the
7 purpose specified in [section 384.3A, subsection 3](#), paragraph
8 "j". ~~A city may assess and collect a franchise fee in excess~~
9 ~~of five percent of gross revenues generated from the sales~~
10 ~~of the franchisee pursuant to this subparagraph division (b)~~
11 ~~for a period not to exceed seven consecutive fiscal years~~
12 ~~once the franchise fee is first imposed at a rate in excess~~
13 ~~of five percent. An ordinance increasing the franchise fee~~
14 ~~rate to greater than five percent pursuant to this subparagraph~~
15 ~~division (b) shall not become effective unless approved at~~
16 ~~an election. After passage of the ordinance, the council~~
17 ~~shall submit the proposal at a special election held on a date~~
18 ~~specified in [section 39.2, subsection 4](#), paragraph "b".~~ If a
19 majority of those voting on the proposal approves the proposal,
20 the city may proceed as proposed. The complete text of the
21 ordinance shall be included on the ballot and the full text
22 of the ordinance posted for the voters pursuant to section
23 52.25. All absentee voters shall receive the full text of the
24 ordinance along with the absentee ballot. This subparagraph
25 division (b) is repealed July 1, 2030.

26 Sec. 94. Section 384.3A, subsection 3, paragraph j, Code
27 2023, is amended to read as follows:

28 j. For franchise fees assessed and collected by a city in
29 excess of five percent of gross revenues generated from sales
30 of the franchisee within the city pursuant to section 364.2,
31 subsection 4, paragraph "f", subparagraph (1), subparagraph
32 division (b), during fiscal years beginning on or after July 1,
33 ~~2013~~ 2024, but before July 1, 2030, the adjustment, renewal,
34 or extension of any part or all of the legal indebtedness of
35 a city, whether evidenced by bonds, warrants, court-approved

1 ~~settlements, court-approved compromises, or judgments, or the~~
2 ~~funding or refunding of the same, if such legal indebtedness~~
3 ~~relates to restitution, a refund, or a return ordered by a~~
4 ~~court of competent jurisdiction for franchise fees assessed~~
5 ~~and collected by the city before June 20, 2013 solely for the~~
6 reduction of property tax levies that support the operation and
7 maintenance of a municipal transit system or a regional transit
8 district or to maintain transportation service levels of a
9 municipal transit system or a regional transit district. This
10 paragraph "j" is repealed July 1, 2030.

11 Sec. 95. EFFECTIVE DATE. This division of this Act takes
12 effect July 1, 2024.

13 DIVISION XII

14 COUNTY AUDITOR VALUATION REPORTS

15 Sec. 96. Section 331.510, subsections 3 and 4, Code 2023,
16 are amended to read as follows:

17 3. An annual report not later than January 1 to the
18 department of management of the valuation by class of property
19 for each taxing district in the county on forms provided by the
20 department of management. The valuations reported shall be
21 those valuations used for determining the levy rates necessary
22 to fund the budgets of the taxing districts for the following
23 fiscal year. Each annual report under this subsection for
24 assessment years beginning on or after January 1, 2024,
25 shall distinguish such values as revaluation or other type of
26 addition to value, as defined and submitted in the assessor's
27 abstract transmitted to the department of revenue under section
28 441.45.

29 4. An annual report not later than January 1 to the
30 governing body of each taxing district in the county of the
31 assessed valuations of taxable property in the taxing district
32 as reported to the department of management. Each annual
33 report under this subsection for assessment years beginning
34 on or after January 1, 2024, shall distinguish such values as
35 revaluation or other type of addition to value, as defined

1 and submitted in the assessor's abstract transmitted to the
2 department of revenue under section 441.45.

3

DIVISION XIII

4

LOCAL GOVERNMENT BUDGETS AND TAXPAYER STATEMENTS

5

Sec. 97. NEW SECTION. **24.2A Budget statements to owners**

6

and taxpayers.

7

1. For purposes of this section only:

8

a. "Budget year" is the fiscal year beginning during the
9 calendar year in which a budget is certified.

10

b. "Current fiscal year" is the fiscal year ending during
11 the calendar year in which a budget for the budget year is
12 certified.

13

c. "Effective property tax rate" means the property tax rate
14 per one thousand dollars of assessed value and is equal to
15 one thousand multiplied by the quotient of the current fiscal
16 year's actual property tax dollars certified for levy divided
17 by the total assessed value used to calculate taxes for the
18 budget year.

19

d. "Political subdivision" means a school district, a
20 county, or a city.

21

2. *a.* On or before February 27 of each year, each political
22 subdivision shall file with the county auditor a report
23 containing all necessary information for the county auditor to
24 calculate amounts required to be included in the statements
25 mailed under paragraph "b".

26

b. Not later than March 1, the county auditor shall compile
27 all required information from all reports received and send to
28 each property owner or taxpayer within the county by regular
29 mail an individual statement containing all of the following
30 for each of the political subdivisions comprising the owner's
31 or taxpayer's taxing district:

32

(1) The sum of the current fiscal year's actual property
33 taxes certified for levy for all of the political subdivision's
34 levies and the combined property tax rate per one thousand
35 dollars for such tax amount for the current fiscal year.

1 (2) The combined effective property tax rate for the
2 political subdivision calculated using the sum of the current
3 fiscal year's actual property taxes certified for levy for all
4 of the political subdivision's levies under subparagraph (1).

5 (3) The combined amount of the proposed property tax dollars
6 to be certified for all of the political subdivision's levies
7 for the budget year and the proposed combined property tax rate
8 per one thousand dollars for such levies.

9 (4) If the proposed property tax dollars specified
10 under subparagraph (3) exceeds the current fiscal year's
11 actual property tax dollars certified for levy specified in
12 subparagraph (1), a detailed statement of the major reasons for
13 the increase, including the specific purposes or programs for
14 which the political subdivision is proposing an increase.

15 (5) An example comparing the amount of property taxes on
16 a residential property with an actual value of one hundred
17 thousand dollars in the current fiscal year and such amount
18 on the residential property using the proposed property
19 tax dollars for the budget year, including the percentage
20 difference in such amounts.

21 (6) An example comparing the amount of property taxes
22 on a commercial property with an actual value of one hundred
23 thousand dollars in the current fiscal year and such amount on
24 the commercial property using the proposed property tax dollars
25 for the budget year, including the percentage difference in
26 such amounts.

27 (7) The political subdivision's percentage of total
28 property taxes certified for levy in the owner's or taxpayer's
29 taxing district in the current fiscal year among all taxing
30 authorities.

31 (8) The date, time, and location of the political
32 subdivision's public hearing required under subsection 4.

33 (9) Information on how to access on the political
34 subdivision's internet site the political subdivision's
35 statements under this section and other budget documents for

1 prior fiscal years.

2 *c.* Proof of mailing shall be maintained by the county
3 auditor.

4 3. The department of management shall prescribe the form for
5 the report required under subsection 2, paragraph "a", and the
6 statements required to be mailed under subsection 2, paragraph
7 "b".

8 4. *a.* Each political subdivision shall set a time and place
9 for a public hearing on the political subdivision's proposed
10 property tax amount for the budget year and the political
11 subdivision's information included in the statements under
12 subsection 2. The date of the political subdivision's public
13 hearing shall not be on the same date of the public hearing
14 under this section of another political subdivision with which
15 the political subdivision shares territory. At the hearing,
16 the governing body of the political subdivision shall receive
17 oral or written testimony from any resident or property owner
18 of the political subdivision. This public hearing shall be
19 separate from any other meeting of the governing body of the
20 political subdivision, including any other meeting or public
21 hearing relating to the political subdivision's budget, and
22 other business of the political subdivision that is not related
23 to the proposed property tax amounts and the information in the
24 statements shall not be conducted at the public hearing. After
25 all testimony has been received and considered, the governing
26 body may decrease, but not increase, the proposed property tax
27 amount to be included in the political subdivision's budget.

28 *b.* The political subdivision shall also publish notice
29 of the hearing not less than ten nor more than twenty days
30 prior to the hearing in a newspaper published in the political
31 subdivision, if any, and if not, then in a newspaper of general
32 circulation in the political subdivision.

33 *c.* Notice of the hearing shall also be posted and clearly
34 identified on the political subdivision's internet site
35 for public viewing beginning on the date of the newspaper

1 publication and shall be maintained on the political
2 subdivision's internet site with all such prior year notices
3 and copies of the statements mailed under subsection 2.
4 Additionally, if the political subdivision maintains a social
5 media account on one or more social media applications, the
6 public hearing notice or an electronic link to the public
7 hearing notice shall be posted on each such account on the same
8 day as the publication of the notice.

9 Sec. 98. Section 24.3, unnumbered paragraph 1, Code 2023,
10 is amended to read as follows:

11 A municipality shall not certify or levy in any fiscal year
12 any tax on property subject to taxation unless and until the
13 following estimates have been made, filed, and considered,
14 and for school districts, the individual statements have been
15 mailed and public hearings held, as provided in [this chapter](#):

16 Sec. 99. Section 24.10, Code 2023, is amended to read as
17 follows:

18 **24.10 Levies void.**

19 The verified proof of the publication of the notice
20 under [section 24.9](#) shall be filed and verified proof of the
21 mailing of individual statements under section 24.2A shall be
22 established in the office of the county auditor and preserved
23 by the auditor. A levy shall not be valid unless and until
24 ~~that notice is~~ such notices are published, mailed, and filed.
25 However, failure of an owner or taxpayer to receive a statement
26 under section 24.2A shall not invalidate a levy.

27 Sec. 100. Section 24.17, subsection 1, Code 2023, is amended
28 to read as follows:

29 1. The local budgets of the various political subdivisions
30 shall be certified by the chairperson of the certifying board
31 or levying board, as the case may be, in duplicate to the
32 county auditor not later than March 15 of each year on forms,
33 and pursuant to instructions, prescribed by the department
34 of management. However, if the political subdivision is a
35 county, ~~or a city, its budget shall be certified not later than~~

1 ~~March 31 of each year, and if the political subdivision is or a~~
2 school district, as defined in [section 257.2](#), its budget shall
3 be certified not later than April 15 of each year.

4 Sec. 101. Section 24.27, subsection 1, Code 2023, is amended
5 to read as follows:

6 1. Not later than March 25, ~~or April 10 for a county or a~~
7 ~~city,~~ or April 25 if the municipality is a county, city, or
8 school district, a number of persons in any municipality equal
9 to one-fourth of one percent of those voting for the office of
10 governor, at the last general election in the municipality,
11 but the number shall not be less than ten, and the number
12 need not be more than one hundred persons, who are affected
13 by any proposed budget, expenditure or tax levy, or by any
14 item thereof, may appeal from any decision of the certifying
15 board or the levying board by filing with the county auditor
16 of the county in which the municipal corporation is located, a
17 written protest setting forth their objections to the budget,
18 expenditure or tax levy, or to one or more items thereof, and
19 the grounds for their objections. If a budget is certified
20 after March 15, ~~or March 31 in the case of a county or a city,~~
21 or April 15 in the case of a county, city, or school district,
22 all appeal time limits shall be extended to correspond to
23 allowances for a timely filing.

24 Sec. 102. Section 24.48, subsection 4, Code 2023, is amended
25 to read as follows:

26 4. The city finance committee shall have officially
27 notified any city of its approval, modification or rejection
28 of the city's appeal of the decision of the director of the
29 department of management regarding a city's request for a
30 suspension of the statutory property tax levy limitation prior
31 to thirty-five days before ~~March 31~~ April 15.

32 Sec. 103. Section 331.422, unnumbered paragraph 1, Code
33 2023, is amended to read as follows:

34 Subject to [this section](#) and [sections 331.423 through 331.426](#)
35 or as otherwise provided by state law, the board of each county

1 shall certify property taxes annually at its ~~March~~ April
2 session to be levied for county purposes as follows:

3 Sec. 104. Section 331.434, unnumbered paragraph 1, Code
4 2023, is amended to read as follows:

5 Annually, the board of each county, subject to section
6 331.403, subsection 4, sections 331.423 through 331.426,
7 section 331.433A, the applicable portions of chapter 24, and
8 other applicable state law, shall prepare and adopt a budget,
9 certify taxes, and provide appropriations as follows:

10 Sec. 105. Section 331.434, subsection 3, Code 2023, is
11 amended to read as follows:

12 3. ~~Following, and not until, adoption of the resolution~~
13 ~~under section 331.433A, the requirements of section 24.2A are~~
14 completed, the board shall set a time and place for a public
15 hearing on the budget before the final certification date and
16 shall publish notice of the hearing not less than ten nor more
17 than twenty days prior to the hearing in the county newspapers
18 selected under chapter 349. A summary of the proposed budget
19 and a description of the procedure for protesting the county
20 budget under section 331.436, in the form prescribed by the
21 director of the department of management, shall be included
22 in the notice. Proof of publication of the notice under this
23 subsection 3 ~~and a copy of the resolution adopted under section~~
24 ~~331.433A~~ shall be filed with and preserved by the county
25 auditor. A levy is not valid unless and until the notice is
26 published and ~~the notice and resolution adopted under section~~
27 ~~331.433A are filed~~ individual statements under section 24.2A
28 are mailed. The department of management shall prescribe the
29 form for the public hearing notice for use by counties.

30 Sec. 106. Section 331.434, subsection 5, paragraph a, Code
31 2023, is amended to read as follows:

32 a. After the hearing, the board shall adopt by resolution
33 a budget and certificate of taxes for the next fiscal year
34 and shall direct the auditor to properly certify and file the
35 budget and certificate of taxes as adopted. The board shall

1 not adopt a tax in excess of the estimate published ~~or the~~
2 ~~applicable amounts specified in the resolution adopted under~~
3 ~~section 331.433A~~, except a tax which is approved by a vote of
4 the people, and a greater tax than that adopted shall not be
5 levied or collected. A county budget and certificate of taxes
6 adopted for the following fiscal year becomes effective on the
7 first day of that year.

8 Sec. 107. Section 331.434, subsection 7, Code 2023, is
9 amended to read as follows:

10 7. Taxes levied by a county whose budget is certified after
11 ~~March 31~~ April 15 shall be limited to the prior year's budget
12 amount. However, this penalty may be waived by the director
13 of the department of management if the county demonstrates
14 that the ~~March 31~~ deadline was missed because of circumstances
15 beyond the control of the county.

16 Sec. 108. Section 331.435, subsection 2, Code 2023, is
17 amended to read as follows:

18 2. The board shall prepare and adopt a budget amendment in
19 the same manner as the original budget as provided in section
20 331.434, but excluding the requirements for ~~adoption of the~~
21 ~~resolution under section 331.433A~~ mailing individual statements
22 under section 24.2A, and the amendment is subject to protest as
23 provided in section 331.436, except that the director of the
24 department of management may by rule provide that amendments
25 of certain types or up to certain amounts may be made without
26 public hearing and without being subject to protest. A county
27 budget for the ensuing fiscal year shall be amended by May 31
28 to allow time for a protest hearing to be held and a decision
29 rendered before June 30. An amendment of a budget after May
30 31 which is properly appealed but without adequate time for
31 hearing and decision before June 30 is void.

32 Sec. 109. Section 331.436, Code 2023, is amended to read as
33 follows:

34 **331.436 Protest.**

35 Protests to the adopted budget must be made in accordance

1 with [sections 24.27 through 24.32](#) as if the county were the
2 municipality under those sections except that the protest must
3 be filed no later than April ~~10~~ 25 and the number of people
4 necessary to file a protest under [this section](#) shall not be
5 less than one hundred.

6 Sec. 110. Section 384.2, subsection 1, Code 2023, is amended
7 to read as follows:

8 1. Except as otherwise provided for special charter cities,
9 a city's fiscal year shall be as provided in section 24.2,
10 subsection 3. All city property taxes must be certified by
11 a city to the county auditor on or before ~~March 31~~ April
12 15 of each year, unless otherwise provided by state law.
13 However, municipal utilities, if not supported by taxation
14 or the proceeds of outstanding indebtedness payable from
15 taxes may, with the council's consent, choose to operate on a
16 fiscal year which is the calendar year. The receipt by the
17 utility of payments from other governmental funds for public
18 fire protection, street lighting, or other public use of the
19 utility's services shall not be deemed support by taxation.
20 After notice and hearing in the same manner as required for the
21 city's regular budget under [section 384.16](#), the utility budget
22 must be approved by resolution of the council not later than
23 twenty days prior to the beginning of the calendar year for
24 which the budget applies.

25 Sec. 111. Section 384.16, unnumbered paragraph 1, Code
26 2023, is amended to read as follows:

27 Annually, a city that has satisfied the requirements of
28 ~~[section 384.15A](#)~~ and [section 384.22, subsection 3](#), and the
29 applicable portions of chapter 24, shall prepare and adopt a
30 budget, and shall certify taxes as follows:

31 Sec. 112. Section 384.16, subsections 3, 5, and 6, Code
32 2023, are amended to read as follows:

33 3. Following, and not until, ~~adoption of the resolution~~
34 ~~under [section 384.15A](#)~~, requirements of section 24.2A are
35 completed, the council shall set a time and place for public

1 hearing on the budget before the final certification date and
2 shall publish notice of the hearing not less than ten nor more
3 than twenty days before the hearing in a newspaper published
4 at least once weekly and having general circulation in the
5 city. However, if the city has a population of two hundred
6 or less, publication may be made by posting in three public
7 places in the city. A summary of the proposed budget and a
8 description of the procedure for protesting the city budget
9 under [section 384.19](#), in the form prescribed by the director of
10 the department of management, shall be included in the notice.
11 Proof of publication of the notice under [this subsection 3](#) and
12 ~~a copy of the resolution adopted under [section 384.15A](#)~~ must be
13 filed with the county auditor. The department of management
14 shall prescribe the form for the public hearing notice for use
15 by cities.

16 5. After the hearing, the council shall adopt by resolution
17 a budget for at least the next fiscal year, and the clerk
18 shall certify the necessary tax levy for the next fiscal year
19 to the county auditor and the county board of supervisors.
20 The tax levy certified may be less than but not more than
21 the amount estimated in the proposed budget submitted at
22 the final hearing ~~or the applicable amount specified in the~~
23 ~~resolution adopted under [section 384.15A](#)~~, unless an additional
24 tax levy is approved at a city election. Two copies each of
25 the detailed budget as adopted and of the tax certificate must
26 be transmitted to the county auditor, who shall complete the
27 certificates and transmit a copy of each to the department of
28 management.

29 6. Taxes levied by a city whose budget is certified after
30 ~~March 31~~ April 15 shall be limited to the prior year's budget
31 amount. However, this penalty may be waived by the director of
32 the department of management if the city demonstrates that the
33 ~~March 31~~ deadline was missed because of circumstances beyond
34 the control of the city.

35 Sec. 113. Section 384.17, Code 2023, is amended to read as

1 follows:

2 **384.17 Levy by county.**

3 At the time required by law, the county board of supervisors
4 shall levy the taxes necessary for each city fund for the
5 following fiscal year. The levy must be as shown in the
6 adopted city budget and as certified by the clerk, subject to
7 any changes made after a protest hearing, and any additional
8 tax rates approved at a city election. A city levy is not valid
9 until proof of publication or posting of notice of a budget
10 hearing under [section 384.16, subsection 3](#), and ~~the notice and~~
11 ~~resolution adopted under [section 384.15A](#)~~ is filed with
12 the county auditor and individual statements are mailed under
13 section 24.2A.

14 Sec. 114. Section 384.18, subsection 2, Code 2023, is
15 amended to read as follows:

16 2. A budget amendment must be prepared and adopted in the
17 same manner as the original budget, as provided in section
18 384.16, excluding the requirement for the mailing of individual
19 statements under section 24.2A, and is subject to protest as
20 provided in [section 384.19](#), except that the committee may by
21 rule provide that amendments of certain types or up to certain
22 amounts may be made without public hearing and without being
23 subject to protest. A city budget shall be amended by May
24 31 of the current fiscal year to allow time for a protest
25 hearing to be held and a decision rendered before June 30. The
26 amendment of a budget after May 31, which is properly appealed
27 but without adequate time for hearing and decision before June
28 30 is void.

29 Sec. 115. REPEAL. Sections 331.433A and 384.15A, Code 2023,
30 are repealed.

31 Sec. 116. IMPLEMENTATION. Section 25B.2, subsection 3,
32 shall not apply to this division of this Act.

33 Sec. 117. APPLICABILITY. This division of this Act applies
34 to school district, county, and city budgets for fiscal years
35 beginning on or after July 1, 2024.

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DIVISION XIV

DRIVER'S LICENSES AND NONOPERATOR'S IDENTIFICATION CARDS

Sec. 118. Section 321M.9, subsection 1, paragraph a, Code 2023, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (4) The ten-dollar convenience fee collected pursuant to subsection 1A.

Sec. 119. Section 321M.9, Code 2023, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. *Convenience fee.* A county authorized to issue driver's licenses under this chapter may charge, in addition to any other fee imposed by law, a convenience fee for the issuance or renewal of a driver's license or nonoperator's identification card to a person who is not a resident of the county, unless that person pays property tax to the county and provides proof of payment such as a receipt as provided in section 445.5, subsection 6, or another form of proof as determined by the county. The convenience fee shall be ten dollars.

DIVISION XV

WRITING FEES

Sec. 120. Section 321G.27, subsection 1, paragraphs a, b, and c, Code 2023, are amended by striking the paragraphs.

Sec. 121. Section 321G.27, subsection 1, Code 2023, is amended by adding the following new paragraph:

NEW PARAGRAPH. *od.* The county recorder shall collect a writing fee of two dollars for each privilege under this chapter.

Sec. 122. Section 321G.29, subsection 3, Code 2023, is amended to read as follows:

3. An owner of a snowmobile shall apply to the county recorder for issuance of a certificate of title within thirty days after acquisition. The application shall be on forms the department prescribes and accompanied by the required fee specified in section 321G.30 and the writing fee specified in section 321G.27. The application shall include a certification

1 signed in writing containing substantially the representation
2 that statements made are true and correct to the best of the
3 applicant's knowledge, information, and belief, under penalty
4 of perjury. The application shall contain the date of sale
5 and gross price of the snowmobile or the fair market value if
6 no sale immediately preceded the transfer and any additional
7 information the department requires. If the application is
8 made for a snowmobile last previously registered or titled in
9 another state or foreign country, the application shall contain
10 this information and any other information the department
11 requires.

12 Sec. 123. Section 321G.31, Code 2023, is amended to read as
13 follows:

14 **321G.31 Transfer or repossession by operation of law.**

15 1. If ownership of a snowmobile is transferred by
16 operation of law, such as by inheritance, order in bankruptcy,
17 insolvency, replevin, or execution sale, the transferee, within
18 thirty days after acquiring the right to possession of the
19 snowmobile, shall mail or deliver to the county recorder of
20 the transferee's county of residence satisfactory proof of
21 ownership as the county recorder requires, together with an
22 application for a new certificate of title, and the required
23 fee, plus the writing fee specified in section 321G.27.

24 However, if the transferee is the surviving spouse of the
25 deceased owner, the county recorder shall waive the required
26 fee fees.

27 2. If a lienholder repossesses a snowmobile by operation of
28 law and holds it for resale, the lienholder shall secure a new
29 certificate of title and shall pay the required fee, plus the
30 writing fee specified in section 321G.27.

31 Sec. 124. Section 321G.32, subsection 1, Code 2023, is
32 amended by adding the following new paragraph:

33 NEW PARAGRAPH. *c.* The application shall be accompanied by
34 the writing fee specified in section 321G.27.

35 Sec. 125. Section 321I.29, subsection 1, paragraphs a, b,

1 and c, Code 2023, are amended by striking the paragraphs.

2 Sec. 126. Section 321I.29, subsection 1, Code 2023, is
3 amended by adding the following new paragraph:

4 NEW PARAGRAPH. *Od.* The county recorder shall collect
5 a writing fee of two dollars for each privilege under this
6 chapter.

7 Sec. 127. Section 321I.31, subsection 3, Code 2023, is
8 amended to read as follows:

9 3. An owner of an all-terrain vehicle shall apply to
10 the county recorder for issuance of a certificate of title
11 within thirty days after acquisition. The application shall
12 be on forms the department prescribes and accompanied by the
13 required fee specified in section 321I.32 and the writing fee
14 specified in section 321I.29. The application shall include a
15 certification signed in writing containing substantially the
16 representation that statements made are true and correct to the
17 best of the applicant's knowledge, information, and belief,
18 under penalty of perjury. The application shall contain the
19 date of sale and gross price of the all-terrain vehicle or the
20 fair market value if no sale immediately preceded the transfer
21 and any additional information the department requires. If the
22 application is made for an all-terrain vehicle last previously
23 registered or titled in another state or foreign country,
24 the application shall contain this information and any other
25 information the department requires.

26 Sec. 128. Section 321I.33, Code 2023, is amended to read as
27 follows:

28 **321I.33 Transfer or repossession by operation of law.**

29 1. If ownership of an all-terrain vehicle is transferred by
30 operation of law, such as by inheritance, order in bankruptcy,
31 insolvency, replevin, or execution sale, the transferee,
32 within thirty days after acquiring the right to possession of
33 the all-terrain vehicle, shall mail or deliver to the county
34 recorder of the transferee's county of residence satisfactory
35 proof of ownership as the county recorder requires, together

1 with an application for a new certificate of title, and
2 the required fee, plus the writing fee specified in section
3 321I.29. However, if the transferee is the surviving spouse
4 of the deceased owner, the county recorder shall waive the
5 required fee fees.

6 2. If a lienholder repossesses an all-terrain vehicle by
7 operation of law and holds it for resale, the lienholder shall
8 secure a new certificate of title and shall pay the required
9 fee, plus the writing fee specified in section 321I.29.

10 Sec. 129. Section 321I.34, subsection 1, Code 2023, is
11 amended by adding the following new paragraph:

12 NEW PARAGRAPH. c. The application shall be accompanied by
13 the writing fee specified in section 321I.29.

14 Sec. 130. Section 462A.53, Code 2023, is amended to read as
15 follows:

16 **462A.53 Amount of writing fees.**

17 A writing fee of ~~one dollar and twenty-five cents~~ two dollars
18 for each privilege shall be collected by the county recorder.

19 Sec. 131. Section 462A.77, subsection 4, Code 2023, is
20 amended to read as follows:

21 4. Every owner of a vessel subject to titling under this
22 chapter shall apply to the county recorder for issuance of a
23 certificate of title for the vessel within thirty days after
24 acquisition. The application shall be on forms the department
25 prescribes, and accompanied by the required fee specified
26 in section 462A.78 and the writing fee specified in section
27 462A.53. The application shall be signed and shall include a
28 certification signed in writing containing substantially the
29 representation that statements made are true and correct to the
30 best of the applicant's knowledge, information, and belief,
31 under penalty of perjury. The application shall contain
32 the date of sale and gross price of the vessel or the fair
33 market value if no sale immediately preceded the transfer, and
34 any additional information the department requires. If the
35 application is made for a vessel last previously registered or

1 titled in another state or foreign country, it shall contain
2 this information and any other information the department
3 requires.

4 Sec. 132. Section 462A.82, subsections 1 and 2, Code 2023,
5 are amended to read as follows:

6 1. If ownership of a vessel is transferred by operation of
7 law, such as by inheritance, order in bankruptcy, insolvency,
8 replevin, execution sale, or in compliance with [section 578A.7](#),
9 the transferee, within thirty days after acquiring the right
10 to possession of the vessel by operation of law, shall mail or
11 deliver to the county recorder satisfactory proof of ownership
12 as the county recorder requires, together with an application
13 for a new certificate of title, and the required fee, plus the
14 writing fee specified in section 462A.53. However, if the
15 transferee is the surviving spouse of the deceased owner, the
16 county recorder shall waive the required fee fees. A title tax
17 is not required on these transactions.

18 2. If a lienholder repossesses a vessel by operation of
19 law and holds it for resale, the lienholder shall secure a new
20 certificate of title and shall pay the required fee, plus the
21 writing fee specified in section 462A.53.

22 Sec. 133. Section 462A.84, subsection 1, Code 2023, is
23 amended by adding the following new paragraph:

24 NEW PARAGRAPH. *c.* The application shall be accompanied by
25 the writing fee specified in section 462A.53.

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 This bill relates to local government property taxes,
30 financial authority, and budgets, requires certain information
31 related to property taxation to be provided to property
32 owners and taxpayers, modifies provisions relating to fees
33 for driver's licenses and nonoperator's identification cards,
34 modifying provisions relating to certain writing fees, and
35 modifies certain transit funding, property tax credits and

1 exemptions, and appropriations.

2 DIVISION I — COUNTY PROPERTY TAXES AND BUDGETS. Code
3 section 331.301(10) governs a county's authority to enter into
4 leases and lease-purchase contracts and, in part, subjects
5 leases and lease-purchase agreements for real property to
6 procedures for approval at an election following a petition
7 if the principal amount of the contract exceeds specified
8 thresholds categorized by county population. The bill
9 increases the thresholds for each category by 30 percent.
10 The bill similarly increases a threshold relating to when a
11 lease or lease-purchase contract is not subject to approval
12 procedures similar to essential county purposes bonds.

13 Code section 331.402(3) governs a county's authority
14 to enter into loan agreements and, in part, subjects loan
15 agreements for real property to procedures for approval at
16 an election following a petition if the principal amount of
17 the contract exceeds specified thresholds categorized by
18 county population. The bill increases the thresholds for each
19 category by 30 percent.

20 Code section 331.403 requires each county to prepare and
21 file an annual financial report. The bill requires that
22 beginning with the annual financial report filed by December
23 1, 2024, each such report shall include a list of bonds,
24 notes, or other obligations issued by the county during the
25 preceding fiscal year payable from any source, including the
26 amount of the issuance, the project or purpose of the issuance,
27 whether the issuance was approved at election, eligible to
28 be subject to a petition for an election, or was exempt from
29 approval at election as the result of statutory exclusions
30 based on population of the county or amount of the issuance,
31 and identification of issuances from the fiscal year or prior
32 fiscal years related to the same project or purpose.

33 Code section 331.423 establishes a levy rate limitation
34 for the general county services levy of \$3.50 per \$1,000
35 of assessed value of taxable property in the county and a

1 limitation for the rural county services levy of \$3.95 per
2 \$1,000 of assessed value of taxable property in the county.

3 The bill modifies the general county services levy rate
4 limitation for the fiscal year beginning July 1, 2024, to
5 be a levy rate not to exceed the sum of \$3.50 plus the levy
6 rate for general county services under Code section 331.426,
7 Code 2023, for the fiscal year beginning July 1, 2023. The
8 bill then provides that for each fiscal year beginning on or
9 after July 1, 2025, the general county services levy rate
10 limitation is the greater of \$3.50 per \$1,000 of taxable value
11 and the limitation determined for the preceding fiscal year,
12 as adjusted under the bill. If the total assessed value used
13 to calculate taxes for general county services for the budget
14 year exceeds 103.25 percent of the total assessed value used
15 to calculate taxes for the current fiscal year, the levy rate
16 amount per \$1,000 for the preceding fiscal year, if applicable,
17 shall be reduced to a rate that is equal to 1,000 multiplied
18 by the quotient of the current fiscal year's actual property
19 tax dollars certified for levy divided by 103.25 percent of the
20 total assessed value used to calculate taxes for the current
21 fiscal year.

22 In addition to that levy limitation, for fiscal years
23 beginning on or after July 1, 2025, if the county's actual
24 levy rate for general county services for the current fiscal
25 year is \$3.50 or less per \$1,000 of assessed value and the
26 total assessed value used to calculate taxes for the budget
27 year exceeds 102.5 percent of the total assessed value used to
28 calculate taxes for the current fiscal year, the levy rate for
29 general county services for the budget year shall not exceed
30 the rate per \$1,000 of assessed value that is equal to 1,000
31 multiplied by the quotient of the current fiscal year's actual
32 property tax dollars certified for levy for general county
33 services divided by 102.5 percent of the total assessed value
34 used to calculate taxes for the current fiscal year.

35 The bill similarly modifies the maximum levy rate for rural

1 county services for the fiscal year beginning July 1, 2024, to
2 be a levy rate equal to the sum of \$3.95 plus the rate levied
3 for rural county services under section 331.426, Code 2023, for
4 the fiscal year beginning July 1, 2023. For each fiscal year
5 beginning on or after July 1, 2025, the maximum levy rate is
6 the greater of \$3.95 and the levy rate for the preceding fiscal
7 year as adjusted under the bill. The bill provides that if the
8 total assessed value used to calculate taxes for rural county
9 services for the budget year exceeds 103.25 percent of the
10 total assessed value used to calculate taxes for the current
11 fiscal year, the levy rate, as previously adjusted under the
12 bill, if applicable, shall be reduced to a rate that is equal
13 to 1,000 multiplied by the quotient of the current fiscal
14 year's actual property tax dollars certified for levy for rural
15 county services divided by 103.25 percent of the total assessed
16 value used to calculate taxes for the current fiscal year.

17 In addition to that levy limitation, for fiscal years
18 beginning on or after July 1, 2025, if the county's actual
19 levy rate for rural county services for the current fiscal
20 year is \$3.95 or less per \$1,000 of assessed value and the
21 total assessed value used to calculate taxes for the budget
22 year exceeds 102.5 percent of the total assessed value used
23 to calculate taxes for the current fiscal year, the levy
24 rate for rural county services for the budget year shall not
25 exceed the rate per \$1,000 of assessed value that is equal to
26 1,000 multiplied by the quotient of the current fiscal year's
27 actual property tax dollars certified for levy for rural county
28 services divided by 102.5 percent of the total assessed value
29 used to calculate taxes for the current fiscal year.

30 Code section 331.426 authorizes a county experiencing
31 unusual circumstances, including increases in population,
32 natural disaster or emergency, problems relating to major
33 new functions required by state law, staffing problems, need
34 for additional moneys to continue certain programs, need for
35 new county programs that provide a substantial benefit to

1 residents, and reduced or unusually low growth rate in the
2 county, to levy additional property taxes for general county
3 services or rural county services. If the county imposed such
4 levies in the fiscal year beginning July 1, 2023, the bill
5 increases the county's applicable general services levy rate
6 authority by such levy rate amounts as previously described.
7 The bill repeals Code section 331.426.

8 Code section 331.425 provides that a board of supervisors
9 may certify an addition to a levy in excess of the amounts
10 otherwise permitted under Code sections 331.423, 331.424, and
11 331.426 if the proposition to certify an addition to a levy
12 has been submitted at a special levy election and received
13 a favorable majority of the votes cast on the proposition.
14 The bill removes reference to Code section 331.426, which is
15 repealed in the bill, and provides that if the addition to
16 a levy approved under Code section 331.425 is due to unusual
17 circumstances resulting from the following, the duration of
18 such approval at election shall not exceed the following period
19 of years: (1) unusual problems relating to major new functions
20 required by state law, three years; and (2) unusual need for a
21 new program which will provide substantial benefit to county
22 residents, if the county establishes the need and the amount
23 of necessary increased cost, one year. In addition, for
24 elections to approve additions to a levy for such reasons or
25 as the result of a natural disaster, the ballot shall include
26 additional information relating to the major reasons for the
27 addition.

28 Code section 331.441(2)(b) defines "essential county
29 purpose" to include public buildings, including the site
30 or grounds of, and the erection, equipment, remodeling,
31 or reconstruction of, and additions or extensions to the
32 buildings, and including the provision and maintenance of
33 juvenile detention or shelter care facilities, when the
34 cost does not exceed specified thresholds based on county
35 population. The bill increases each of the threshold amounts

1 by 30 percent.

2 The bill strikes "[a]ny other purpose which is necessary for
3 the operation of the county or the health and welfare of its
4 citizens" from the definition of "general county purpose" under
5 Code section 331.441(2)(c).

6 Code section 331.442 governs county procedures for the
7 issuance of general county purpose bonds. In lieu of calling
8 an election, the board of supervisors may institute proceedings
9 for the issuance of bonds for a general county purpose by
10 publishing a notice of the proposal to issue the bonds,
11 including a statement of the amount and purpose of the bonds,
12 and the right to petition for an election if the amount of the
13 bonds is less than specified threshold amounts based on county
14 population. The bill increases each of the threshold amounts
15 by 30 percent.

16 The bill also requires a notice of proposal to issue general
17 obligation bonds by a county to include an estimate of the
18 annual increase in property taxes as the result of the bond
19 issuance on a residential property with an actual value of
20 \$100,000.

21 Division I of the bill takes effect July 1, 2024, and applies
22 to county taxes and budgets for fiscal years beginning on or
23 after July 1, 2024.

24 DIVISION II — CITY PROPERTY TAXES. Code section 384.1
25 establishes the city general fund levy and limits the levy rate
26 on property that is not used and assessed for agricultural or
27 horticultural purposes at \$8.10 per \$1,000 of taxable value.
28 This bill modifies the levy rate limit for the fiscal year
29 beginning July 1, 2024, to not exceed the sum of \$8.10 plus the
30 following for the applicable city: (1) the levy rate under
31 Code section 384.8, Code 2023, for the fiscal year beginning
32 July 1, 2023; (2) the total levy rate levied by or on behalf
33 of the city under Code section 384.12, subsections 1, 2, 3, 4,
34 5, 6, 7, 8, 9, 11, 12, 13, 15, 16, and 20, Code 2023, for the
35 fiscal year beginning July 1, 2023; and (3) the levy rate of

1 the city under Code section 24.48, Code 2023, for the fiscal
2 year beginning July 1, 2023.

3 For each fiscal year beginning on or after July 1, 2025, a
4 city's tax levy rate for the general fund, except for levies
5 authorized in Code section 384.12, shall not exceed in any tax
6 year the greater of \$8.10 per \$1,000 and the amount determined
7 under the bill for the prior year, as adjusted under the bill.
8 The bill provides that if the total assessed value used to
9 calculate taxes for the budget year exceeds 103.25 percent
10 of the total assessed value used to calculate taxes for the
11 current fiscal year, the levy rate, as previously adjusted
12 under the bill, if applicable, shall be reduced to a rate that
13 is equal to 1,000 multiplied by the quotient of the current
14 fiscal year's actual property tax dollars certified for levy
15 under Code section 384.1 divided by 103.25 percent of the total
16 assessed value used to calculate taxes for the current fiscal
17 year.

18 In addition to that levy limitation, for fiscal years
19 beginning on or after July 1, 2025, if the city's actual levy
20 rate for the general fund for the current fiscal year is \$8.10
21 or less per \$1,000 of assessed value and the total assessed
22 value used to calculate taxes for the budget year exceeds 102.5
23 percent of the total assessed value used to calculate taxes
24 for the current fiscal year, the levy rate for the general
25 fund for the budget year shall not exceed the rate per \$1,000
26 of assessed value that is equal to 1,000 multiplied by the
27 quotient of the current fiscal year's actual property tax
28 dollars certified for levy under Code section 384.1 divided by
29 102.5 percent of the total assessed value used to calculate
30 taxes for the current fiscal year.

31 Code section 384.12 authorizes a city to levy various
32 other additional taxes that under current law are not subject
33 to the \$8.10 levy limit. The bill strikes several of the
34 purposes for which a city may levy an additional tax and if
35 the county imposed such levies in the fiscal year beginning

1 July 1, 2023, increases the county's general services levy rate
2 authority under Code section 384.1 by such levy rate amounts
3 as previously described.

4 Code section 24.48, in part, authorizes a city with a reduced
5 property tax base or unusually low growth rate or experiencing
6 unusual circumstances, including increases in population,
7 natural disaster or emergency, problems relating to major new
8 functions required by state law, staffing problems, need for
9 additional moneys to continue certain programs, and need for
10 new programs that provide a substantial benefit to residents,
11 to appeal to the state appeal board to suspend levy limitations
12 and levy additional property taxes. The bill provides that for
13 budgets for fiscal years beginning on or after July 1, 2024,
14 suspension of the statutory property tax levy limitations for a
15 city shall only be approved for a natural disaster, problems
16 relating to major new functions required by state law, or a
17 need for new programs that provide a substantial benefit to
18 residents.

19 The bill repeals Code section 384.8, which authorizes a
20 \$0.27 city emergency fund levy and makes corresponding changes
21 to other provisions of law relating to the modification of city
22 supplemental property tax levies and the city's general fund
23 levy under Code section 384.1.

24 Code section 384.22 requires each city to prepare and
25 publish an annual financial report. The bill requires that
26 beginning with the annual financial report published by
27 December 1, 2024, each such report shall include a list of
28 bonds, notes, or other obligations issued by the city during
29 the preceding fiscal year payable from any source, including
30 the amount of the issuance, the project or purpose of the
31 issuance, whether the issuance was approved at election,
32 eligible to be subject to a petition for an election, or was
33 exempt from approval at election as the result of statutory
34 exclusions based on population of the city or amount of the
35 issuance, and identification of issuances from the fiscal year

1 or prior fiscal years related to the same project or purpose.

2 The bill strikes "[a]ny other purpose which is necessary
3 for the operation of the city or the health and welfare of its
4 citizens" from the definition of "general corporate purpose"
5 under Code section 384.24(4).

6 Code section 384.24A(4) governs a city's authority to enter
7 into loan agreements and, in part, subjects loan agreements
8 for real property to procedures for approval at an election
9 following a petition if the principal amount of the contract
10 exceeds specified thresholds categorized by city population.
11 The bill increases the contract amount thresholds for each
12 category by 30 percent.

13 Code section 384.26 governs city procedures for the issuance
14 of city general corporate purpose bonds. In lieu of calling an
15 election, the city council may institute proceedings for the
16 issuance of bonds for a general corporate purpose by publishing
17 a notice of the proposal to issue the bonds, including a
18 statement of the amount and purpose of the bonds, and the right
19 to petition for an election if the amount of the bonds is less
20 than specified threshold amounts based on city population. The
21 bill increases each of the threshold amounts by 30 percent.

22 The bill also requires a notice of proposal to issue general
23 obligation bonds by a city to, among other information related
24 to the issuance, include an estimate of the annual increase
25 in property taxes as the result of the bond issuance on a
26 residential property with an actual value of \$100,000.

27 Division II takes effect July 1, 2024, and applies to taxes
28 and budgets for fiscal years beginning on or after July 1,
29 2024.

30 DIVISION III — PUBLIC EDUCATION AND RECREATIONAL TAX LEVY.
31 Code chapter 300 authorizes the imposition of a voter-approved
32 property tax levy for the establishment and maintenance
33 of public recreation places and playgrounds, and necessary
34 accommodations for the recreation places and playgrounds, in
35 the public school buildings and grounds of the district. Code

1 chapter 300 also authorizes each school board to cooperate
2 with public or private agencies having custody and management
3 of public parks or buildings or grounds open to the public
4 for the supervision and instruction necessary to carry on
5 public educational and recreational activities in the parks,
6 buildings, and grounds located within the district. Such
7 activities may be supported by imposition of a voter-approved
8 property tax levy not to exceed 13.5 cents per \$1,000 of
9 assessed value. The property tax levy under Code chapter 300
10 also provides financial support to community education programs
11 established under Code chapter 276, which provide educational,
12 recreational, cultural, and other community services and
13 programs.

14 The bill repeals Code chapter 300 and makes corresponding
15 amendments to other provisions of law effective July 1, 2027,
16 and applies to fiscal years beginning on or after July 1,
17 2027. The bill provides that financial support for a community
18 education program under Code chapter 276 may be provided from
19 funds received by the school district under Code chapter 423F.
20 By operation of the definition of "school infrastructure" under
21 Code section 423F.3(6)(a)(1), moneys received by a school
22 district from the secure an advanced vision for education fund
23 may continue to be utilized for activities previously provided
24 for under Code chapter 300 and Code chapter 276.

25 The bill prohibits a levy under Code chapter 300 from being
26 approved at election on or after the effective date of the
27 provision in the bill, which is effective upon enactment, and
28 limits the rate at which previously approved levies can be
29 imposed for the fiscal year beginning July 1, 2026.

30 The bill also provides that moneys available in the public
31 education and recreation levy fund at the conclusion of the
32 fiscal year beginning July 1, 2026, and ending June 30, 2026,
33 shall be expended by the school corporation for the purposes
34 authorized under Code chapter 300, Code 2023.

35 DIVISION IV — BRUCELLOSIS AND TUBERCULOSIS ERADICATION

1 FUND — LEVY. Code section 165.18 authorizes the secretary of
2 agriculture to direct the board of supervisors of each county
3 to levy an amount sufficient to pay the expenses estimated to
4 be incurred from the brucellosis and tuberculosis eradication
5 fund for the following fiscal year, subject to a maximum levy
6 of 33.75 cents per \$1,000. The bill strikes the authority to
7 levy such a tax beginning with property taxes due and payable
8 in fiscal years beginning July 1, 2024.

9 DIVISION V — COUNTY SEATS. The bill specifies that pursuant
10 to the general grant of home rule power conferred by the
11 Constitution of the State of Iowa and if not inconsistent with
12 the laws of the general assembly, a county that has designated
13 more than one city to be a county seat may consolidate or
14 reduce the number of county seats by ordinance. The bill also
15 repeals 1848 Iowa Acts, First Extraordinary Session, chapter
16 52, which in part required Lee County to maintain a district
17 court at Fort Madison and the city of Keokuk, required the
18 clerk of district court to keep an office at Fort Madison and
19 the city of Keokuk, and required the sheriff of Lee County to
20 keep an office at Fort Madison and the city of Keokuk.

21 Division V of the bill takes effect upon enactment.

22 DIVISION VI — COUNTY SHERIFF FEE REPORT. The bill strikes
23 the provision of Code section 331.655 that requires an annual
24 report from the Iowa state sheriffs' and deputies' association
25 that details, based on a sampling of specified county data, the
26 total annual county budget allocation to the sheriff to fulfill
27 those duties for which the sheriff is required to collect
28 certain fees, the average cost per service, summons, execution,
29 or other activity by activity category, the revenue generated
30 by collection of those fees by category, and the associated
31 impact on property taxes for each county to fulfill those
32 duties for which the sheriff is required to collect such fees.

33 DIVISION VII — HOMESTEAD PROPERTY TAX CREDIT. Code chapter
34 425 establishes a homestead property tax credit in an amount
35 equal to the property tax levy on the first \$4,850 of actual

1 value. The homestead credit is paid for from the homestead
2 credit fund under Code section 425.1 for which there is an
3 annual appropriation for an amount sufficient to implement the
4 credit.

5 The bill establishes a homestead property tax exemption
6 for owners 65 or older that is in addition to the homestead
7 credit. For the assessment year beginning January 1, 2024, the
8 exemption amount is \$3,250. For the assessment year beginning
9 January 1, 2025, and each succeeding assessment year, the
10 exemption amount is \$6,500.

11 Code section 25B.7 provides that if a state appropriation
12 made to fund a credit or exemption is not sufficient to fully
13 fund the credit or exemption, the political subdivision shall
14 be required to extend to the taxpayer only that portion of the
15 credit or exemption estimated by the department of revenue to
16 be funded by the state appropriation. The bill provides that
17 the general requirement of Code section 25B.7 for property tax
18 credits and exemptions does not apply to the homestead property
19 tax exemption established in the bill.

20 The bill makes corresponding changes to various other
21 provisions of the Code relating to and referencing the
22 homestead property tax credit.

23 The bill provides that homestead credit claims approved
24 prior to and valid on the effective date of the division shall
25 result in a homestead tax exemption under Code chapter 425,
26 subchapter I, as enacted in the division, without further
27 filing by the claimant if the assessor has the information to
28 verify eligibility for the exemption.

29 Division VII applies to assessment years beginning on or
30 after January 1, 2024.

31 DIVISION VIII — ELDERLY PROPERTY TAX CREDIT. The
32 bill amends Code section 423.23 to modify part of the
33 calculation for the elderly property tax credit to account
34 for the homestead credit for the property under Code section
35 425.1. The division takes effect upon enactment and applies

1 retroactively to claims for the credit filed on or after
2 January 1, 2022.

3 DIVISION IX — MILITARY SERVICE PROPERTY TAX EXEMPTION AND
4 CREDIT. Division VII relates to the military service property
5 tax exemption and credit. Under current law, veterans of World
6 War I are entitled to a property tax exemption of \$2,778 in
7 taxable value and honorably discharged veterans who served
8 during other specific time periods are entitled to a property
9 tax exemption of \$1,852 in taxable value. The bill increases
10 the exemption amount for all eligible veterans to \$4,000 for
11 assessment years beginning on or after January 1, 2024.

12 Under current law, the state provides funding to local
13 governments for the military service property tax exemption and
14 credit up to \$6.92 per \$1,000 of assessed value of the exempt
15 property. The bill eliminates funding for the credit starting
16 with the fiscal year beginning July 1, 2025.

17 Code section 25B.7 provides that if a state appropriation
18 made to fund a credit or exemption is not sufficient to fully
19 fund the credit or exemption, the political subdivision shall
20 be required to extend to the taxpayer only that portion of the
21 credit or exemption estimated by the department of revenue to
22 be funded by the state appropriation. The requirement for
23 fully funding and the consequences of not fully funding under
24 Code section 25B.7 applies to the military service property
25 tax credit and exemption to the extent of \$6.92 per \$1,000
26 of assessed value of the exempt property. The bill strikes
27 the portion of Code section 25B.7 that makes the requirement
28 for fully funding and the consequences of not fully funding
29 applicable to the military service property tax credit and
30 exemption and provides that the general requirement of Code
31 section 25B.7 for property tax credits and exemptions does not
32 apply to the military property tax exemption established in the
33 bill.

34 The division applies to assessment years beginning on or
35 after January 1, 2024.

1 DIVISION X — PROPERTY TAX BENEFITS AND INCENTIVES. The bill
2 amends Code chapter 404 (urban revitalization areas) to provide
3 that for revitalization areas established on or after the
4 effective date of the division and for first-year property tax
5 exemption applications for property located in a revitalization
6 area in existence on the effective date of the division filed
7 on or after the effective date of the division, commercial
8 property shall not receive a tax exemption under Code chapter
9 404 unless the city or county, as applicable, and the owner
10 of the qualified real estate enter into a written assessment
11 agreement specifying a minimum actual value until a specified
12 termination date for the duration of the exemption period.

13 The bill also establishes limitations on exemptions for
14 residential property within revitalization areas. For
15 revitalization areas established on or after the effective date
16 of the division and for first-year exemption applications for
17 property located in a revitalization area in existence on the
18 effective date of the division filed on or after the effective
19 date of the division, an exemption under Code chapter 404
20 for property that is residential property shall not apply to
21 property tax levies imposed by a school district.

22 Division X of the bill takes effect July 1, 2024.

23 DIVISION XI — TRANSIT FUNDING. Cities may grant various
24 types of franchises for specified services under Code section
25 362.4 and may generally impose a franchise fee based upon
26 a percentage of gross revenues generated from sales of the
27 franchisee within the city not to exceed 5 percent. An
28 exception allowing for a franchise fee up to 7.5 percent exists
29 in specified circumstances for a period of fiscal years ending
30 July 1, 2030, if approved at election. The bill strikes
31 the provisions providing for that exception and establishes
32 conditions under which a city with a population that exceeds
33 200,000 may impose a franchise fee of up to 7.5 percent for
34 fiscal years beginning on or after July 1, 2024. The bill
35 requires that franchise fee amounts collected during such

1 fiscal years in excess of 5 percent of gross revenues generated
2 from sales shall be used solely for the reduction of property
3 tax levies used to support the operation and maintenance of a
4 municipal transit system or a regional transit district or to
5 maintain transportation service levels of a municipal transit
6 system or a regional transit district.

7 The division of the bill takes effect July 1, 2024.

8 DIVISION XII — COUNTY AUDITOR VALUATION REPORTS. Code
9 section 331.510, in part, requires the county auditor to
10 make an annual report to the department of management of the
11 valuation by class of property for each taxing district in the
12 county, which shall be used for determining the levy rates
13 necessary to fund the budgets of the taxing districts for the
14 following fiscal year. In addition, the county auditor is
15 required to make an annual report to the governing body of
16 each taxing district in the county of the assessed valuations
17 of taxable property in the taxing district as reported to the
18 department of management.

19 The bill requires both such annual reports for assessment
20 years beginning on or after January 1, 2024, to distinguish
21 such values as revaluation or other type of addition to value,
22 as defined and submitted in the assessor's abstract transmitted
23 to the department of revenue under Code section 441.45.

24 DIVISION XIII — LOCAL GOVERNMENT BUDGETS AND TAXPAYER
25 STATEMENTS. The division relates to the approval of city,
26 county, and school district budgets.

27 Current law establishes budget certification deadlines
28 for various political subdivisions, including March 31 for
29 counties and cities, April 15 for school districts, and March
30 15 for townships and other political subdivisions subject to
31 the budget approval procedures of Code chapter 24. The bill
32 modifies the budget certification deadline for counties and
33 cities to be April 15.

34 The bill enacts a requirement for certain political
35 subdivisions (school districts, cities, and counties) to take

1 additional steps in preparing their annual budgets. Under
2 the bill, on or before February 27 of each year, each such
3 political subdivision is required to file with the county
4 auditor a report containing all necessary information for the
5 county auditor to calculate certain amounts required to be
6 included in individual statements mailed by the county auditor
7 to each property owner or taxpayer within the county not later
8 than March 1. Each individual statement must contain all of
9 the following for each of the political subdivisions comprising
10 the owner's or taxpayer's taxing district: (1) the sum of
11 the current fiscal year's actual property taxes certified
12 for levy for all of the political subdivision's levies and
13 the combined property tax rate for such tax amount for the
14 current fiscal year; (2) the combined effective property tax
15 rate for the political subdivision for all of the political
16 subdivision's levies; (3) the combined amount of the proposed
17 property tax dollars to be certified for all of the political
18 subdivision's levies and the proposed combined property tax
19 rate for such levies; (4) if the proposed combined property
20 tax dollars exceeds the current fiscal year's actual combined
21 property tax dollars certified for levy, a detailed statement
22 of the major reasons for the increase, including the specific
23 purposes or programs for which the political subdivision is
24 proposing an increase; (5) an example comparing the amount of
25 property taxes on a residential property with an actual value
26 of \$100,000 in the current fiscal year and such amount on the
27 residential property using the proposed property tax dollars
28 for the budget year; (6) an example comparing the amount of
29 property taxes on a commercial property with an actual value
30 of \$100,000 in the current fiscal year and such amount on the
31 commercial property using the proposed property tax dollars for
32 the budget year; (7) the political subdivision's percentage
33 of total property taxes certified for levy in the owner's or
34 taxpayer's taxing district in the current fiscal year among all
35 taxing authorities; (8) the date, time, and location of the

1 public hearing required under the bill; and (9) information on
2 how to access on the political subdivision's internet site the
3 political subdivision's statements under the new Code section
4 and other budget documents for prior fiscal years.

5 Each political subdivision is also required to conduct
6 a public hearing on its proposed property tax amount for
7 the budget year and the political subdivision's information
8 included in the individual statements. The date of the
9 political subdivision's public hearing shall not be on the
10 same date of the public hearing under the bill of another
11 political subdivision with which the political subdivision
12 shares territory. At the hearing, the governing body of
13 the political subdivision is required to receive oral or
14 written testimony from any resident or property owner of the
15 political subdivision. This public hearing must be separate
16 from any other meeting of the governing body of the political
17 subdivision, including any other meeting or public hearing
18 relating to the political subdivision's budget, and other
19 business of the political subdivision that is not related to
20 the proposed property tax amounts and the information in the
21 statements shall not be conducted at the public hearing. After
22 all testimony has been received and considered, the governing
23 body may decrease, but not increase, the proposed property tax
24 amount to be included in the political subdivision's budget.
25 Notice of the public hearing must also be published in a
26 newspaper, posted on the political subdivision's internet site,
27 and, if the political subdivision maintains a social media
28 account, post the public hearing notice or an electronic link
29 to the public hearing notice on each such account.

30 The bill repeals Code sections 331.433A and 384.15A,
31 applicable to the approval of county and city budgets.

32 The bill makes corresponding changes to other Code chapters
33 relating to county and city budgets.

34 The bill makes penalties applicable by operation of Code
35 section 24.24, which provides, in part, that failure on

1 the part of a public official to perform any of the duties
2 prescribed in Code chapter 24 constitutes a simple misdemeanor,
3 and is sufficient ground for removal from office. A simple
4 misdemeanor is punishable by confinement for no more than 30
5 days and a fine of at least \$105 but not more than \$855.

6 The division may include a state mandate as defined in
7 Code section 25B.3. The division makes inapplicable Code
8 section 25B.2, subsection 3, which would relieve a political
9 subdivision from complying with a state mandate if funding for
10 the cost of the state mandate is not provided or specified.
11 Therefore, political subdivisions are required to comply with
12 any state mandate included in the division.

13 The division applies to city, county, and school district
14 budgets for fiscal years beginning on or after July 1, 2024.

15 DIVISION XIV — DRIVER'S LICENSES AND NONOPERATOR'S
16 IDENTIFICATION CARDS. Current law authorizes certain counties
17 to issue driver's licenses and nonoperator's identification
18 cards if the county meets standards set by the department
19 of transportation. A county retains for deposit in the
20 county general fund \$7 of fees received for each issuance or
21 renewal of driver's licenses and nonoperator's identification
22 cards. The division allows a county authorized to issue
23 driver's licenses to charge a \$10 convenience fee for the
24 issuance or renewal of a driver's license or nonoperator's
25 identification card to a person who is not a resident of the
26 county. However, the county cannot charge the convenience fee
27 to a nonresident person who pays property tax to the county if
28 the person provides proof that they paid property tax, such as
29 a receipt from the county treasurer or another form of proof
30 as determined by the county. The county treasurer retains the
31 entire convenience fee collected for deposit in the county
32 general fund.

33 DIVISION XV — WRITING FEES. The division relates to writing
34 fees required for certain all-terrain vehicle, snowmobile, and
35 water vessel transactions completed by a county recorder.

1 WATER VESSELS. Under current law, a county recorder
2 collects a writing fee of \$1.25 for "each privilege" under
3 Code chapter 462A (water navigation regulations). A writing
4 fee is paid by the boat owner to the county recorder for
5 handling the transaction. The writing fee is specifically
6 required with applications for registration, including new
7 or duplicate certificates of registration (Code section
8 462A.5). The writing fee is also specifically required for
9 transfers of ownership of vessels with an expired registration,
10 due when the transferee pays all applicable fees for the
11 current registration period (Code section 462A.43), and with
12 applications for transfer (Code section 462A.44). The writing
13 fee is not specifically mentioned for applications for issuance
14 of a certificate of title (Code section 462A.77), which
15 requires the application to be accompanied by the required
16 fee. The required fee for issuance of a certificate of title,
17 a transfer of title, a duplicate, or a corrected certificate
18 of title is \$5 plus a surcharge of \$5 (Code section 462A.78).
19 Likewise, the writing fee is not specifically mentioned for
20 perfection of a security interest, for which the application
21 fee is \$5 (Code section 462A.84). The bill specifies that
22 applications for a certificate of title or perfection of a
23 security interest are subject to the writing fee. The bill
24 increases the writing fee from \$1.25 to \$2.

25 SNOWMOBILES AND ALL-TERRAIN VEHICLES. In contrast to
26 water vessels, the writing fee provisions for snowmobiles and
27 all-terrain vehicles explicitly impose the \$1.25 writing fee
28 only for registration or renewal, user permits, and duplicate
29 special registration certificates (Code sections 321G.27 and
30 321I.29). The bill alters these provisions to instead apply
31 to "each privilege" under the respective Code chapter, and
32 specifies that applications for a certificate of title or
33 perfection of a security interest are subject to the writing
34 fee. The bill increases the writing fee from \$1.25 to \$2.

35 Current law provides that a license agent shall collect a

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- 1 writing fee of \$1 for each snowmobile or all-terrain vehicle
- 2 registration or renewal and for the sale of each user permit.
- 3 The bill does not amend these provisions.