

House File 1050 - Introduced

HOUSE FILE 1050
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 238)

A BILL FOR

- 1 An Act relating to the assessment of property containing certain
- 2 aboveground storage tanks and including effective date and
- 3 retroactive applicability provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 427A.1, Code 2025, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 6A. Notwithstanding the other provisions of
4 this section, aboveground storage tanks with a capacity of
5 ninety-one thousand gallons or less, no matter the use or
6 intended use in the subject property, shall not be assessed and
7 taxed as real property.

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

10 Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate
11 importance, takes effect upon enactment.

12 Sec. 4. RETROACTIVE APPLICABILITY. This Act applies
13 retroactively to assessment years beginning on or after January
14 1, 2025.

15 EXPLANATION

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

18 Code section 427A.1 specifies that for the purposes of
19 property taxation only, certain property shall be assessed
20 and taxed, unless otherwise qualified for exemption, as real
21 property, including buildings, structures, or improvements, any
22 of which are constructed on or in the land, attached to the
23 land, or placed upon a foundation whether or not attached to the
24 foundation. However, property is not "attached" if it is a kind
25 of property which would ordinarily be removed when the owner of
26 the property moves to another location.

27 This bill provides that aboveground storage tanks with a
28 capacity of 91,000 gallons or less, no matter the use or intended
29 use in the subject property, shall not be assessed and taxed as
30 real property.

31 The bill makes inapplicable Code section 25B.7. Code section
32 25B.7 provides that for a property tax credit or exemption
33 enacted on or after January 1, 1997, if a state appropriation
34 made to fund the credit or exemption is not sufficient to fully
35 fund the credit or exemption, the political subdivision shall

1 be required to extend to the taxpayer only that portion of the
2 credit or exemption estimated by the department of revenue to be
3 funded by the state appropriation.

4 The bill takes effect upon enactment and applies retroactively
5 to assessment years beginning on or after January 1, 2025.

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