

House File 634 - Introduced

HOUSE FILE 634
BY HARRIS

A BILL FOR

- 1 An Act relating to forest and fruit-tree reservations, and
- 2 providing for a fee.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. NEW SECTION. **427C.14 Program fee.**

2 1. Beginning January 1, 2026, each acre of forest and
3 fruit-tree reservation that is exempt from tax pursuant to this
4 chapter shall be subject to a fee to be paid no later than
5 September 1 of each year to the county treasurer of the county
6 where the forest or fruit-tree reservation is located to be
7 deposited into the county general fund.

8 2. Fee rates shall be in the following amounts:

9 a. Subject to paragraph "c", for forest and fruit-tree
10 reservations located in the county where the owner of the forest
11 or fruit-tree reservation maintains a homestead for purposes of
12 chapter 425, two dollars per acre.

13 b. Subject to paragraph "c", for forest and fruit-tree
14 reservations located in a county that is contiguous to the county
15 where the owner of the forest or fruit-tree reservation maintains
16 a homestead for purposes of chapter 425, three dollars per acre.

17 c. (1) For forest and fruit-tree reservations not described
18 by paragraph "a" or "b", and forest and fruit-tree reservations
19 located inside the corporate limits of a city, a rate per acre
20 equal to the product of the average property taxes due per
21 acre of agricultural property in the county with the most acres
22 of land subject to an exemption under this chapter for the
23 assessment year used to calculate the taxes due and payable in
24 that fiscal year multiplied by the quotient of thirteen divided
25 by the average corn suitability rating for agricultural property
26 located in the county with the most acres of property subject to
27 an exemption under this chapter.

28 (2) The department of management shall make all calculations
29 necessary to determine the fee rate in subparagraph (1) and
30 transmit the rate to each county treasurer no later than July 1
31 of each year.

32 EXPLANATION

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

35 Currently, a person who establishes a forest or fruit-tree

1 reservation (reservation) is entitled to a property tax exemption
2 on the tract of land selected to be a reservation, subject to
3 certain conditions.

4 Beginning January 1, 2026, this bill establishes a fee
5 structure for reservations dependent upon where the reservation
6 is located. For a reservation located in a county where the
7 owner of the reservation maintains a homestead, the fee is \$2
8 per acre per year. For a reservation located in a county
9 contiguous to the county where the owner of the reservation
10 maintains a homestead, the fee is \$3 per acre per year. For
11 all other reservations, including a reservation located inside
12 the corporate limits of a city, the fee shall be a rate per acre
13 equal to a formula calculated by the department of management.
14 Fees collected under the bill are to be paid no later than
15 September 1 of each year to the county treasurer of the county
16 where the forest or fruit-tree reservation is located to be
17 deposited into the county general fund.