

Senate File 2334 - Introduced

SENATE FILE 2334
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 2032)

A BILL FOR

1 An Act relating to tax and special assessment collections for
2 buildings or improvements erected on land owned by another
3 person.

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

unofficial

1 Section 1. Section 445.32, Code 2026, is amended to read as
2 follows:

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

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

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

28 3. If a county treasurer commences tax collection procedures
29 under this section for delinquent taxes on a building or
30 improvement, the county treasurer shall send notice to the owner
31 of the building or improvement and the owner of the land on which
32 the building or improvement is collected in the form prescribed
33 by section 446.9, subsection 1.

34 EXPLANATION

35 The inclusion of this explanation does not constitute agreement with

1 the explanation's substance by the members of the general assembly.

2 When property adjacent to a public improvement benefits from
3 the improvement, a special assessment may be levied against the
4 adjacent properties that received the benefit to pay for all
5 or a portion of the improvement. Under current law, principal
6 and interest due and delinquent because of a special assessment
7 cannot be collected on a building or improvement erected or made
8 by a person on land owned by another person pursuant to Code
9 sections 445.3 and 445.4. This bill allows collections pursuant
10 to Code sections 445.3 and 445.4 or Code chapter 446 (tax sales)
11 relating to residential buildings or improvements on residential
12 buildings, with an actual value of \$20,000 or more, erected or
13 made by a person on land owned by another person to include
14 principal and interest due and delinquent because of special
15 assessment levies.

16 The bill requires a county treasurer to provide notice to the
17 owner of the building or improvement and the owner of leased
18 land on which a building or improvement is erected of the tax
19 collection procedures for delinquent taxes on the building or
20 improvement.