

Senate File 269 - Introduced

SENATE FILE 269

BY ROWLEY

A BILL FOR

1 An Act relating to local government by modifying provisions
2 relating to liens, property tax credits and rent
3 reimbursements, abandoned mobile homes and personal property
4 in rural areas, driver's licenses, and tax sales.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

TAX COLLECTIONS FOR BUILDINGS OR IMPROVEMENTS ERECTED ON LAND
OWNED BY ANOTHER PERSON

Section 1. Section 445.32, Code 2025, is amended to read as follows:

445.32 Liens on buildings or improvements.

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

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

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

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DIVISION II

PROPERTY TAX CREDITS AND RENT REIMBURSEMENTS

Sec. 2. Section 425.19, Code 2025, is amended to read as follows:

425.19 Claim and credit or reimbursement.

Subject to the limitations provided in this subchapter, and after submission of sufficient proof of income eligibility to the county treasurer, a claimant may annually claim a credit for property taxes due during the fiscal year next following the base year or claim a reimbursement for rent constituting property taxes paid in the base year. The amount of the credit for property taxes due for a homestead shall be paid on June 15 of each year from the elderly and disabled property tax credit fund under section 425.39, subsection 1, by the director of revenue to the county treasurer who shall credit the money received against the amount of the property taxes due and payable on the homestead of the claimant and the amount of the reimbursement for rent constituting property taxes paid shall be paid by the director of health and human services to the claimant from the reimbursement fund under section 425.39, subsection 2, on or before December 31 of each year.

DIVISION III

ABANDONED MOBILE HOMES IN UNINCORPORATED AREAS

Sec. 3. Section 555B.1, subsection 5, Code 2025, is amended to read as follows:

5. "Mobile home" means the same as defined in section 435.1 and includes ~~"manufactured homes"~~ "manufactured homes" and ~~"modular homes"~~ "modular homes" as those terms are defined in section 435.1, if the ~~manufactured homes or modular homes~~ are located in a manufactured home community or mobile home park or are located in the unincorporated area of a county.

Sec. 4. Section 555C.1, Code 2025, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. "Rural property" means real property located in the unincorporated area of a county.

1 Sec. 5. Section 555C.1, subsection 5, unnumbered paragraph 1,
2 Code 2025, is amended to read as follows:

3 "Valueless home" means a home located in a manufactured
4 home community or a mobile home park or on rural property
5 including all other personal property, where all of the following
6 conditions exist:

7 Sec. 6. Section 555C.2, Code 2025, is amended to read as
8 follows:

9 **555C.2 Removal or transfer of title of valueless home —**
10 **presumption of value.**

11 1. An owner of rural property or a manufactured home
12 community or mobile home park may remove, or cause to be removed,
13 from the rural property or manufactured home community or mobile
14 home park a valueless home and personal property associated with
15 the home at any time following a determination of abandonment by
16 the rural property owner or by the manufactured home community
17 or mobile home park owner in accordance with section 562B.27,
18 subsection 1, and an order of removal pursuant to chapter 648
19 without further notice to the owner or occupant of the valueless
20 home. Within ten days of the removal or transfer of title, the
21 rural property owner or manufactured home community or mobile
22 home park owner shall give written notice to the county treasurer
23 for the county in which the rural property or manufactured home
24 community or mobile home park is located by affidavit which
25 shall include a description of the valueless home, its owner or
26 occupant, if known, the date of removal or transfer of title, and
27 if applicable, the name and address of any third party to whom a
28 new title shall be issued.

29 2. A valueless home and any personal property associated
30 with the valueless home shall be conclusively deemed in value
31 to be equal to or less than the reasonable cost of disposal
32 plus all sums owing to the rural property owner or manufactured
33 home community or mobile home park owner pertaining to the
34 valueless home, if the rural property owner or manufactured
35 home community or mobile home park owner or an agent of the

1 owner removes the home and personal property to a demolisher,
2 sanitary landfill, or other lawful disposal site or if the rural
3 property owner or manufactured home community or mobile home park
4 owner allows a disinterested third party to remove the valueless
5 home and personal property or to leave the home on the rural
6 property or in the manufactured home community or mobile home
7 park in a transaction in which the rural property owner or
8 manufactured home community or mobile home park owner receives no
9 consideration.

10 Sec. 7. Section 555C.3, Code 2025, is amended to read as
11 follows:

12 **555C.3 New title — third party.**

13 If a new title to a valueless home is to be issued to a third
14 party, the county treasurer shall issue a new title, upon receipt
15 of the affidavit required in section 555C.2 and payment of a
16 fee pursuant to section 321.47. Any tax lien levied pursuant
17 to chapter 435 is canceled and the ownership interest of the
18 previous owner or occupant of the valueless home is terminated
19 as of the date of issuance of the new title. The new title owner
20 shall take the title free of all rights and interests even though
21 the rural property owner or manufactured home community or mobile
22 home park owner fails to comply with the requirements of this
23 chapter or any judicial proceedings, if the new title owner acts
24 in good faith.

25 Sec. 8. Section 555C.4, Code 2025, is amended to read as
26 follows:

27 **555C.4 Removal by rural property owner or manufactured home**
28 **community or mobile home park owner.**

29 Unless the valueless home is to be titled in the name
30 of a third party, the rural property owner or manufactured
31 home community or mobile home park owner may dispose of a
32 valueless home and any personal property to a demolisher,
33 sanitary landfill, or other lawful disposal site under the terms
34 and conditions as the rural property owner or manufactured home
35 community or mobile home park owner shall determine.

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DIVISION IV

NONRESIDENTS VEHICLE REGISTRATION AND CERTIFICATES OF TITLE

Sec. 9. Section 321.20, subsection 1, paragraph f, Code 2025, is amended to read as follows:

f. (1) If Except as provided in subparagraph (2), if the vehicle is owned by a nonresident but is subject to issuance of an Iowa certificate of title or registration, the application shall must also contain the full legal name, Iowa driver's license number or Iowa nonoperator's identification card number, date of birth, bona fide residence, and mailing address of the primary user of the vehicle. If the primary user is a firm, association, or corporation, the application shall must contain the bona fide business address and federal employer identification number of the primary user. The primary user's name and address shall not be printed on the registration receipt or the certificate of title.

(2) If the vehicle is owned by a nonresident who owns the property, as defined in section 535B.1, or land suitable for use in farming in this state, the vehicle is used primarily at the Iowa property, and the vehicle is subject to issuance of an Iowa certificate of title or registration, the application must include reasonable proof, as determined by the department, that the nonresident owns the property, and may contain the owner's driver's license number or nonoperator's identification card number issued by another state in lieu of both the primary user's information required under subparagraph (1) and the owner's Iowa driver's license number or Iowa nonoperator's identification card number required under paragraph "a". The department shall adopt rules regarding acceptable proof of ownership of the property required under this subparagraph.

DIVISION V

SPLIT AND CONSOLIDATION OF PARCELS — TAX SALES

Sec. 10. Section 354.2, Code 2025, is amended by adding the following new subsections:

NEW SUBSECTION. 4A. "Consolidation" means merging two or

1 more tracts or parcels of land into one parcel of land.

2 NEW SUBSECTION. 16A. "Split" means dividing a parcel of land
3 into two or more parcels of land when a plat of survey or
4 acquisition plat is not required.

5 Sec. 11. NEW SECTION. **354.28 Split or consolidation not**
6 **requiring plat of survey or acquisition plat.**

7 The county assessor or county auditor, as applicable, shall
8 not approve a split or consolidation for which a plat of survey
9 or acquisition plat is not required, unless each parcel involved
10 in the split or consolidation is not within the redemption period
11 under chapter 447 or the period specified in section 448.12
12 following a tax sale under chapter 446 and is free from unpaid
13 property taxes, special assessments, and drainage assessments for
14 which a waiver or abatement has not been approved.

15 DIVISION VI

16 AUTHORITY TO POSTPONE OR CANCEL TAX SALES

17 Sec. 12. Section 446.7, subsection 1, Code 2025, is amended
18 to read as follows:

19 1. Annually, on the third Monday in June the county treasurer
20 shall offer at public sale all parcels on which taxes are
21 delinquent. The treasurer shall not, however, offer for sale
22 any parcel that is subject to a pending action as the result of
23 a municipal infraction citation under section 364.22, a petition
24 filed under chapter 657, or a petition filed under chapter 657A,
25 if such municipal infraction citation or petition is indexed
26 under section 617.10 and noted in the county system as defined
27 in section 445.1. The sale shall be made for the total amount
28 of taxes, interest, fees, and costs due. If for good cause
29 the treasurer cannot hold the annual tax sale on the third
30 Monday of June, the treasurer may designate a different date ~~in~~
31 June for the sale not later than one hundred twenty days after
32 the third Monday in June. After designation of a different
33 date, the treasurer may, for good cause and following approval
34 of the board of supervisors, redesignate the date of the tax
35 sale to a date not more than one hundred twenty days after the

1 immediately preceding designation, but not later than the date
2 for the subsequent year's annual tax sale.

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EXPLANATION

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The inclusion of this explanation does not constitute agreement with

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

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This bill relates to local government administration.

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DIVISION I — TAX COLLECTIONS FOR BUILDINGS OR IMPROVEMENTS

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ERECTED ON LAND OWNED BY ANOTHER PERSON. When property adjacent

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to a public improvement benefits from the improvement, a special

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assessment may be levied against the adjacent properties that

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received the benefit to pay for all or a portion of the

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improvement. Under current law, principal and interest due and

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delinquent because of a special assessment cannot be collected

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on a building or improvement erected or made by a person on

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land owned by another person pursuant to Code sections 445.3 and

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445.4. The bill allows collections pursuant to Code sections

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445.3 and 445.4 or Code chapter 446 (tax sales) relating to

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residential buildings or improvements on residential buildings,

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with an actual value of \$20,000 or more, erected or made by a

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person on land owned by another person to include principal and

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interest due and delinquent because of special assessment levies.

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The bill requires a county treasurer to provide notice to

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the owner of leased land on which a building or improvement

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is erected prior to commencing tax collection procedures for

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delinquent taxes on the building or improvement.

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DIVISION II — PROPERTY TAX CREDITS AND RENT

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REIMBURSEMENTS. The bill specifies a claim for credit of property

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taxes due or reimbursement for rent constituting property taxes

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during the fiscal year shall not be allowed unless the claim is

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filed with sufficient proof of income eligibility.

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DIVISION III — ABANDONED MOBILE HOMES AND PERSONAL PROPERTY

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IN UNINCORPORATED AREAS. The bill changes the definition of

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"mobile home" in Code chapter 555B (disposal of abandoned mobile

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homes and personal property) to include an abandoned mobile home

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in an unincorporated area. By changing the definition of "mobile

1 home" in Code chapter 555B to include an abandoned mobile home in
2 an unincorporated area, the bill establishes similar procedures
3 for the removal of an abandoned mobile home and personal property
4 as manufactured homes or modular homes in a manufactured home
5 community or mobile home park.

6 The bill also changes the definition of "valueless home" in
7 Code chapter 555C (valueless mobile, modular, and manufactured
8 homes) to include a home on rural property. By changing the
9 definition of "valueless home" in Code chapter 555C to include
10 a home on rural property, the bill establishes similar procedures
11 for the removal of a valueless home and personal property from a
12 manufactured home community or mobile home park. Code chapter
13 555C also establishes procedures to issue a new title to a
14 valueless home to a third party.

15 DIVISION IV — NONRESIDENTS VEHICLE REGISTRATION AND
16 CERTIFICATES OF TITLE. Current law requires an owner of a vehicle
17 to apply for registration and issuance of a certificate of title
18 if the vehicle is required to be registered. The application
19 must include information about the owner, the vehicle, nonowner
20 interests in the vehicle, if applicable, the amount of the fee
21 for new registration, and other information as may reasonably
22 be required by the department of transportation (DOT). In
23 particular, the owner's full legal name, social security
24 number or Iowa driver's license number or Iowa nonoperator's
25 identification card number, date of birth, bona fide residence,
26 and mailing address are required.

27 In addition, if the vehicle is owned by a nonresident
28 but still subject to issuance of a certificate of title or
29 registration in Iowa, the application must also contain the full
30 legal name, Iowa driver's license number or Iowa nonoperator's
31 identification card number, date of birth, bona fide residence,
32 and mailing address of the primary user of the vehicle.

33 The bill provides for alternative application information
34 required for certain nonresidents. Nonresidents who own
35 residential real property or land suitable for use in farming

1 in Iowa that are registering a vehicle that is used primarily
2 at that property may instead apply using the owner's driver's
3 license number or nonoperator's identification card number issued
4 by another state in lieu of both the primary user's information
5 and the Iowa's driver's license number or nonoperator's
6 identification card number required under current law. A
7 nonresident who applies for registration and issuance of a
8 certificate of title under the bill is required to provide
9 reasonable proof that the nonresident owns such property in
10 Iowa. The DOT must adopt rules regarding acceptable proof of
11 property ownership, including but not limited to a copy of a
12 deed or utility payment receipts. For purposes of the bill,
13 "residential real property" means real property, which is an
14 owner-occupied single-family or two-family dwelling, located in
15 this state, occupied or used or intended to be occupied or
16 used for residential purposes, including an interest in any real
17 property covered under Code chapter 499B (horizontal property
18 (condominiums)).

19 In accordance with current law, a nonresident is required to
20 apply for registration and issuance of certificate of title for
21 a vehicle subject to registration to the county treasurer of the
22 county where the primary user of the vehicle is located.

23 DIVISION V — SPLIT AND CONSOLIDATION OF PARCELS —
24 TAX SALES. The bill provides that a county assessor or
25 county auditor, as applicable, shall not approve a split or
26 consolidation, as each is defined in the bill, for which a
27 plat of survey or acquisition plat is not required, unless each
28 parcel involved in the split or consolidation is not within
29 the redemption period under Code chapter 447 or the period
30 specified in Code section 448.12 following a tax sale and
31 is free from unpaid property taxes, special assessments, and
32 drainage assessments for which a waiver or abatement has not been
33 approved.

34 DIVISION VI — AUTHORITY TO POSTPONE OR CANCEL TAX SALES. Code
35 section 446.7 provides that annually, on the third Monday in

1 June, the county treasurer shall offer at public sale all parcels
2 on which taxes are delinquent. However, if for good cause the
3 treasurer cannot hold the annual tax sale on that date, the
4 treasurer may designate a different date in June for the sale.

5 The bill modifies the ability of the county treasurer
6 to reschedule the tax sale for good cause by allowing the
7 rescheduled date to be a date not later than 120 days after the
8 third Monday in June. After designation of a different date, the
9 county treasurer may, for good cause and following approval of
10 the board of supervisors, redesignate the date of the tax sale
11 to a date not more than 120 days after the immediately preceding
12 designation, but not later than the date for the subsequent
13 year's annual tax sale.

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