

**House File 2777 - Introduced**

HOUSE FILE 2777

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 92)

**A BILL FOR**

1 An Act relating to Iowa's urban renewal law by modifying the  
2 division of revenue, and including applicability provisions.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 403.19, subsection 2, paragraph a, Code  
2 2025, is amended to read as follows:

3 a. That portion of the taxes each year in excess of such  
4 amount shall be allocated to and when collected be paid into a  
5 special fund of the municipality to pay the principal of and  
6 interest on loans, moneys advanced to, or indebtedness, whether  
7 funded, refunded, assumed, or otherwise, including bonds  
8 issued under the authority of [section 403.9, subsection 1](#),  
9 incurred by the municipality to finance or refinance, in whole  
10 or in part, an urban renewal project within the area, and to  
11 provide assistance for low and moderate income family housing  
12 as provided in [section 403.22](#). However, except as provided  
13 in paragraph "b", taxes for the regular and voter-approved  
14 physical plant and equipment levy of a school district imposed  
15 pursuant to [section 298.2](#) and taxes for the instructional  
16 support program of a school district imposed pursuant to  
17 section 257.19, taxes for the payment of bonds and interest  
18 of each taxing district, taxes for emergency medical services  
19 imposed pursuant to chapter 357F, 357G, or 422D, and taxes  
20 imposed under [section 346.27, subsection 22](#), related to joint  
21 county-city buildings shall be collected against all taxable  
22 property within the taxing district without limitation by the  
23 provisions of [this subsection](#).

24 Sec. 2. APPLICABILITY. This Act applies to property taxes  
25 due and payable in fiscal years beginning on or after July 1,  
26 2027.

27 EXPLANATION

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

30 This bill excludes property taxes for emergency medical  
31 services imposed pursuant to Code chapter 357F, 357G, or 422D  
32 from a division of revenue (tax increment financing) under Code  
33 section 403.19.

34 The bill applies to property taxes due and payable in fiscal  
35 years beginning on or after July 1, 2027.