SENATE FILE 569
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 1218)

(As Amended and Passed by the Senate April 19, 2023)

_____ and [= New Language by the Senate

* = Language Stricken by the Senate

A BILL FOR

An Act relating to local government property taxes, financial authority, operations, and budgets, modifying certain transit funding, property tax credits and exemptions, and appropriations, requiring certain information related to property taxation to be provided to property owners and taxpayers, modifying provisions relating to fees for driver's licenses and nonoperator's identification cards, modifying provisions relating to certain writing fees, making penalties applicable, and including effective date, retroactive applicability, and applicability provisions.

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

DIVISION I

COUNTY PROPERTY TAXES AND BUDGETS

Section 1. Section 331.301, subsection 10, paragraph e, subparagraph (1), Code 2023, is amended to read as follows:

(1) (a) The board must follow substantially the authorization procedures of section 331.443 to authorize a lease or lease-purchase contract for personal property which is payable from the general fund. The board must follow substantially the authorization procedures of section 331.443 to authorize a lease or lease-purchase contract for real property which is payable from the general fund if the principal amount of the lease-purchase contract does not exceed the following limits:

(i) ~~Four~~ Five hundred twenty thousand dollars in a county having a population of twenty-five thousand or less.

(ii) ~~Five~~ Six hundred fifty thousand dollars in a county having a population of more than twenty-five thousand but not more than fifty thousand.

(iii) ~~Six~~ Seven hundred eighty thousand dollars in a county having a population of more than fifty thousand but not more than one hundred thousand.

(iv) ~~Eight hundred~~ One million forty thousand dollars in a county having a population of more than one hundred thousand but not more than two hundred thousand.

(v) One million three hundred thousand dollars in a county having a population of more than two hundred thousand.

(b) However, if the principal amount of a lease or lease-purchase contract pursuant to this subparagraph (1) is less than ~~twenty-five~~ thirty-two thousand five hundred dollars, the board may authorize the lease or lease-purchase contract without following the authorization procedures of section 331.443.

Sec. 2. Section 331.402, subsection 3, paragraph d, subparagraph (1), subparagraph divisions (a), (b), (c), (d), and (e), Code 2023, are amended to read as follows:

(a) ~~Four~~ Five hundred twenty thousand dollars in a county having a population of twenty-five thousand or less.

(b) ~~Five~~ Six hundred fifty thousand dollars in a county having a population of more than twenty-five thousand but not more than fifty thousand.

(c) ~~Six~~ Seven hundred eighty thousand dollars in a county having a population of more than fifty thousand but not more than one hundred thousand.

(d) ~~Eight hundred~~ One million forty thousand dollars in a county having a population of more than one hundred thousand but not more than two hundred thousand.

(e) One million three hundred thousand dollars in a county having a population of more than two hundred thousand.

Sec. 3. Section 331.403, subsection 1, Code 2023, is amended to read as follows:

1. Not later than December 1 of each year on forms and pursuant to instructions prescribed by the department of management, a county shall prepare an annual financial report showing for each county fund the financial condition as of June 30 and the results of operations for the year then ended. Copies of the report shall be maintained as a public record at the auditor's office and shall be filed with the director of the department of management and with the auditor of state by December 1. A summary of the report, in a form prescribed by the director, shall be published by each county not later than December 1 of each year in one or more newspapers which meet the requirements of section 618.14. Beginning with the annual financial report filed by December 1, 2025, each report shall include a list of bonds, notes, or other obligations issued by the county during the most recently completed fiscal year, and the applicable lists for other fiscal years beginning on or after July 1, 2024, for which obligations remain unpaid, payable from any source, including the amount of the issuance, the project or purpose of the issuance, whether the issuance was approved at election, eligible to be subject to a petition

for an election, or was exempt from approval at election as the result of statutory exclusions based on population of the county or amount of the issuance, and identification of issuances from the fiscal year or prior fiscal years related to the same project or purpose.

Sec. 4. Section 331.422, unnumbered paragraph 1, Code 2023, is amended to read as follows:

Subject to this section and sections 331.423 through ~~331.426~~ 331.425 or as otherwise provided by state law, the board of each county shall certify property taxes annually at its March session to be levied for county purposes as follows:

Sec. 5. Section 331.423, Code 2023, is amended to read as follows:

331.423 Basic levies — maximums — adjustments.

Annually, the board may certify basic levies, subject to the following limits:

1. For general county services~~.~~:

a. For fiscal years beginning before July 1, 2024, three dollars and fifty cents per thousand dollars of the assessed value of all taxable property in the county.

b. For the fiscal year beginning July 1, 2024, a levy rate per thousand dollars of taxable value equal to the sum of three dollars and fifty cents plus the sum of the amount per thousand dollars of taxable value levied for general county services under section 331.426, Code 2023, for the fiscal year beginning July 1, 2023.

c. (1) For each fiscal year beginning on or after July 1, 2025, subject to paragraph "*d*", the greater of three dollars and fifty cents per thousand dollars of assessed value used to calculate taxes for the budget year and the amount determined under paragraph "*b*", as adjusted under subparagraph (2), if applicable.

(2) If the total assessed value used to calculate taxes for general county services for the budget year exceeds one hundred three and one-fourth percent of the total assessed

value used to calculate taxes for the current fiscal year, the levy rate per thousand dollars determined under paragraph "b", as previously adjusted under this subparagraph, if applicable, shall be reduced to a rate per one thousand dollars of assessed value that is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy under this subsection 1 divided by one hundred three and one-fourth percent of the total assessed value used to calculate taxes for the current fiscal year.

d. In addition to the limitation under paragraph "c", for fiscal years beginning on or after July 1, 2025, if the county's actual levy rate imposed under this subsection for the current fiscal year is three dollars and fifty cents or less per thousand dollars of assessed value and the total assessed value used to calculate taxes for the budget year exceeds one hundred two and one-half percent of the total assessed value used to calculate taxes for the current fiscal year, the levy rate imposed under this subsection for the budget year shall not exceed a rate per one thousand dollars of assessed value that is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy under this subsection 1 divided by one hundred two and one-half percent of the total assessed value used to calculate taxes for the current fiscal year.

2. For rural county services~~,~~:

a. For fiscal years beginning before July 1, 2024, three dollars and ninety-five cents per thousand dollars of the assessed value of taxable property in the county outside of incorporated city areas.

b. For the fiscal year beginning July 1, 2024, a levy rate per thousand dollars of taxable value equal to the sum of three dollars and ninety-five cents plus the sum of the amount per thousand dollars of taxable value levied for rural county services under section 331.426, Code 2023, for the fiscal year beginning July 1, 2023.

c. (1) For each fiscal year beginning on or after July 1, 2025, subject to paragraph "*d*", the greater of three dollars and ninety-five cents per thousand dollars of assessed value used to calculate taxes for the budget year and the amount determined under paragraph "*b*", as adjusted under subparagraph (2), if applicable.

(2) If the total assessed value used to calculate taxes for rural county services under this subsection for the budget year exceeds one hundred three and one-fourth percent of the total assessed value used to calculate taxes for the current fiscal year, the levy rate per thousand dollars determined under paragraph "*b*", as previously adjusted under this subparagraph, if applicable, shall be reduced to a rate per one thousand dollars of assessed value that is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy under this subsection 2 divided by one hundred three and one-fourth percent of the total assessed value used to calculate taxes for the current fiscal year.

d. In addition to the limitation under paragraph "*c*", for fiscal years beginning on or after July 1, 2025, if the county's actual levy rate imposed under this subsection for the current fiscal year is three dollars and ninety-five cents or less per thousand dollars of assessed value and the total assessed value used to calculate taxes for the budget year exceeds one hundred two and one-half percent of the total assessed value used to calculate taxes for the current fiscal year, the levy rate imposed under this subsection for the budget year shall not exceed a rate per one thousand dollars of assessed value that is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy under this subsection 2 divided by one hundred two and one-half percent of the total assessed value used to calculate taxes for the current fiscal year.

3. For purposes of this section:

a. "Budget year" is the fiscal year beginning during the calendar year in which a budget is certified.

b. "Current fiscal year" is the fiscal year ending during the calendar year in which a budget for the budget year is certified.

Sec. 6. Section 331.425, unnumbered paragraph 1, Code 2023, is amended to read as follows:

The board may certify an addition to a levy in excess of the amounts otherwise permitted under sections 331.423~~,~~ and 331.424~~, and 331.426~~ if the proposition to certify an addition to a levy has been submitted at a special levy election and received a favorable majority of the votes cast on the proposition. A special levy election is subject to the following:

Sec. 7. Section 331.425, Code 2023, is amended by adding the following new subsection:

NEW SUBSECTION. 6. *a.* If the addition to a levy approved under this section is due to unusual circumstances resulting from the following, the duration of such approval at election shall not exceed the following period of years:

(1) Unusual problems relating to major new functions required by state law, three years.

(2) Unusual need for a new program which will provide substantial benefit to county residents, if the county establishes the need and the amount of necessary increased cost, one year.

b. For an election to approve an addition to a levy for a reason specified in paragraph *"a"* or as the result of a natural disaster, the ballot shall include a statement of the major reasons for the difference between the proposed basic tax rate and the maximum basic tax rate, including a description of the major new functions required by state law and the specific new costs to the county to implement the new functions, a description of the new program that will provide substantial benefits to county residents and specific new costs to the

county for the program, or the conditions and damage resulting from the natural disaster that the county must remedy.

Sec. 8. Section 331.434, unnumbered paragraph 1, Code 2023, is amended to read as follows:

Annually, the board of each county, subject to section 331.403, subsection 4, sections 331.423 through ~~331.426~~ 331.425, section 331.433A, and other applicable state law, shall prepare and adopt a budget, certify taxes, and provide appropriations as follows:

Sec. 9. Section 331.435, subsection 1, Code 2023, is amended to read as follows:

1. The board may amend the adopted county budget, subject to sections 331.423 through ~~331.426~~ 331.425 and other applicable state law, to permit increases in any class of proposed expenditures contained in the budget summary published under section 331.434, subsection 3.

Sec. 10. Section 331.441, subsection 2, paragraph b, subparagraph (5), subparagraph divisions (a), (b), (c), (d), and (e), Code 2023, are amended to read as follows:

(a) ~~Six~~ Seven hundred eighty thousand dollars in a county having a population of twenty-five thousand or less.

(b) ~~Seven~~ Nine hundred ~~fifty~~ ten thousand dollars in a county having a population of more than twenty-five thousand but not more than fifty thousand.

(c) ~~Nine~~ One million one hundred seventy thousand dollars in a county having a population of more than fifty thousand but not more than one hundred thousand.

(d) One million ~~two~~ five hundred sixty thousand dollars in a county having a population of more than one hundred thousand but not more than two hundred thousand.

(e) One million ~~five~~ nine hundred fifty thousand dollars in a county having a population of more than two hundred thousand.

Sec. 11. Section 331.441, subsection 2, paragraph c, subparagraph (11), Code 2023, is amended by striking the subparagraph.

Sec. 12. Section 331.442, subsection 2, paragraph a, Code 2023, is amended to read as follows:

a. The board shall publish notice of the proposal to issue the bonds, including a statement of the amount and purpose of the bonds, ~~and~~ a statement of the estimated cost of the project for which the bonds are to be issued, and an estimate of the annual increase in property taxes as the result of the bond issuance on a residential property with an actual value of one hundred thousand dollars. The notice shall be published as provided in section 331.305 with the minutes of the meeting at which the board adopts a resolution to call a county special election to vote upon the question of issuing the bonds. The cost of the project, as published in the notice pursuant to this paragraph, is an estimate and is not intended to be binding on the board in later proceedings related to the project.

Sec. 13. Section 331.442, subsection 5, paragraph a, unnumbered paragraph 1, Code 2023, is amended to read as follows:

Notwithstanding subsection 2, a board, in lieu of calling an election, may institute proceedings for the issuance of bonds for a general county purpose by causing a notice of the proposal to issue the bonds, including a statement of the amount and purpose of the bonds, and the right to petition for an election, to be published as provided in section 331.305 at least ten days prior to the meeting at which it is proposed to take action for the issuance of the bonds subject to the following population-based limitations, adjusted and published annually in January by the department of management by applying the percentage change in the consumer price index for all urban consumers for the most recent available twelve-month period published in the federal register by the United States department of labor, bureau of labor statistics:

Sec. 14. Section 331.442, subsection 5, paragraph a, subparagraphs (1), (2), and (3), Code 2023, are amended to read

as follows:

(1) In counties having a population of twenty thousand or less, in an amount of not more than one hundred thirty thousand dollars.

(2) In counties having a population of over twenty thousand and not over fifty thousand, in an amount of not more than two hundred sixty thousand dollars.

(3) In counties having a population of over fifty thousand, in an amount of not more than three hundred ninety thousand dollars.

Sec. 15. Section 331.442, subsection 5, Code 2023, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0b.* Each county's population used to determine the limitations of paragraph "*a*" shall be determined by the greater of the county's population during the most recent federal decennial census or the most recent population estimate produced by the United States census bureau.

Sec. 16. Section 331.443, subsection 2, Code 2023, is amended to read as follows:

2. Before the board may institute proceedings for the issuance of bonds for an essential county purpose, a notice of the proposed action, including a statement of the amount and purposes of the bonds, an estimate of the annual increase in property taxes as the result of the bond issuance on a residential property with an actual value of one hundred thousand dollars, and the time and place of the meeting at which the board proposes to take action for the issuance of the bonds, shall be published as provided in section 331.305. At the meeting, the board shall receive oral or written objections from any resident or property owner of the county. After all objections have been received and considered, the board, at that meeting or a date to which it is adjourned, may take additional action for the issuance of the bonds or abandon the proposal to issue the bonds. Any resident or property owner of the county may appeal the decision of the board to take

additional action to the district court of the county, within fifteen days after the additional action is taken, but the additional action of the board is final and conclusive unless the court finds that the board exceeded its authority. The provisions of this subsection with respect to notice, hearing, and appeal, are in lieu of any other law.

Sec. 17. REPEAL. Section 331.426, Code 2023, is repealed.

Sec. 18. EFFECTIVE DATE. This division of this Act takes effect July 1, 2024.

Sec. 19. APPLICABILITY. This division of this Act applies to taxes and budgets for fiscal years beginning on or after July 1, 2024.

DIVISION II

CITY PROPERTY TAXES AND BUDGETS

Sec. 20. Section 8.6, Code 2023, is amended by adding the following new subsection:

NEW SUBSECTION. 17. *County and city bond issuance.* To annually prepare and file with the general assembly by December 1 a report specifying the updated population thresholds as adjusted under section 331.442, subsection 5, and section 384.26, subsection 5, and detailing the use of the bond issuance procedures under section 331.442, subsection 5, and section 384.26, subsection 5, including the usage of such procedures by counties and cities based on the population-based limitations and the amount of bonds issued for each such usage.

Sec. 21. Section 24.48, subsection 5, Code 2023, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* For budgets for fiscal years beginning on or after July 1, 2024, if the political subdivision is a city, a suspension of the statutory property tax levy limitations under this section shall only be approved by the state appeal board in the event of a natural disaster or under the reasons specified in subsection 1, paragraph *"c"* or *"f"*.

Sec. 22. Section 28M.5, subsection 1, Code 2023, is amended to read as follows:

1. The commission, with the approval of the board of supervisors of participating counties and the city council of participating cities in the chapter 28E agreement, may levy annually a tax not to exceed ninety-five cents per thousand dollars of the assessed value of all taxable property in a regional transit district to the extent provided in this section. The chapter 28E agreement may authorize the commission to levy the tax at different rates within the participating cities and counties in amounts sufficient to meet the revenue responsibilities of such cities and counties as allocated in the budget adopted by the commission. However, for a city participating in a regional transit district, the total of all the tax levies imposed in the city pursuant to section 384.12, subsection ~~10~~ 1, and this section shall not exceed the aggregate of ninety-five cents per thousand dollars of the assessed value of all taxable property in the participating city.

Sec. 23. Section 37.8, Code 2023, is amended to read as follows:

37.8 ~~Levy for~~ Cost of development, operation, and maintenance.

For the development, operation, and maintenance of a building or monument constructed, purchased, or donated under this chapter, a city may ~~levy a tax not to exceed eighty-one cents per thousand dollars of assessed value on all the taxable property within the city, as provided in section 384.12, subsection 2~~ utilize taxes levied under section 384.1.

Sec. 24. Section 384.1, Code 2023, is amended to read as follows:

384.1 Taxes certified.

1. A city may certify taxes to be levied by the county on all taxable property within the city limits, for all city government purposes. ~~However, the~~

2. *a.* Notwithstanding subsection 3, the tax levied by a city on tracts of land and improvements thereon used and

assessed for agricultural or horticultural purposes, shall not exceed three dollars and three-eighths cents per thousand dollars of assessed value in any year. Improvements located on such tracts of land and not used for agricultural or horticultural purposes and all residential dwellings are subject to the same rate of tax levied by the city on all other taxable property within the city. ~~A~~

3. *a.* For fiscal years beginning before July 1, 2024, a city's tax levy for the general fund shall not exceed eight dollars and ten cents per thousand dollars of ~~taxable~~ assessed value used to calculate taxes in any tax year, except for the levies authorized in section 384.12.

b. For the fiscal year beginning July 1, 2024, a city's tax levy for the general fund, except for levies authorized in section 384.12, shall not exceed the sum of eight dollars and ten cents per thousand dollars of taxable value plus the sum of the following for the city, as applicable:

(1) The amount per thousand dollars of taxable value levied by or on behalf of the city under section 384.8, Code 2023, for the fiscal year beginning July 1, 2023.

(2) The total amount per thousand dollars of taxable value levied by or on behalf of the city under section 384.12, subsections 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 15, 16, and 20, Code 2023, for the fiscal year beginning July 1, 2023.

(3) The amount per thousand dollars of taxable value levied by the city under section 24.48, Code 2023, for the fiscal year beginning July 1, 2023.

c. (1) For each fiscal year beginning on or after July 1, 2025, subject to paragraph "*d*", a city's tax levy for the general fund, except for levies authorized in section 384.12, shall not exceed in any tax year the greater of eight dollars and ten cents per thousand dollars of assessed value used to calculate taxes for the budget year and the amount determined under paragraph "*b*", as adjusted under subparagraph (2), if applicable.

(2) If the total assessed value used to calculate taxes for the budget year exceeds one hundred three and one-fourth percent of the total assessed value used to calculate taxes for the current fiscal year, the levy rate per thousand dollars determined under paragraph "*b*", as previously adjusted under this subparagraph, if applicable, shall be reduced to a rate per one thousand dollars of assessed value that is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy under this section divided by one hundred three and one-fourth percent of the total assessed value used to calculate taxes for the current fiscal year.

d. In addition to the limitation under paragraph "*c*", for fiscal years beginning on or after July 1, 2025, if the city's actual levy rate imposed under this section for the current fiscal year is eight dollars and ten cents or less per thousand dollars of assessed value and the total assessed value used to calculate taxes for the budget year exceeds one hundred two and one-half percent of the total assessed value used to calculate taxes for the current fiscal year, the levy rate imposed under this section for the budget year shall not exceed a rate per one thousand dollars of assessed value that is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy under this section divided by one hundred two and one-half percent of the total assessed value used to calculate taxes for the current fiscal year.

4. For purposes of this section:

a. "*Budget year*" is the fiscal year beginning during the calendar year in which a budget is certified.

b. "*Current fiscal year*" is the fiscal year ending during the calendar year in which a budget for the budget year is certified.

Sec. 25. Section 384.12, Code 2023, is amended to read as follows:

384.12 Additional taxes.

A city may certify, for the general fund levy, taxes which are not subject to the limit provided in section 384.1, and which are in addition to any other moneys the city may wish to spend for such purposes, as follows:

~~1. A tax not to exceed thirteen and one-half cents per thousand dollars of assessed value for the support of instrumental or vocal musical groups, one or more organizations which have tax-exempt status under section 501(c)(3) of the Internal Revenue Code and are organized and operated exclusively for artistic and cultural purposes, or any of these purposes, subject to the following:~~

~~*a.* Upon receipt of a petition valid under the provisions of section 362.4, the council shall submit to the voters at the next regular city election the question of whether a tax shall be levied.~~

~~*b.* If a majority approves the levy, it may be imposed.~~

~~*c.* The levy can be eliminated by the same procedure of petition and election.~~

~~*d.* A tax authorized by an election held prior to the effective date of the city code may be continued until eliminated by the council, or by petition and election.~~

~~2. A tax not to exceed eighty-one cents per thousand dollars of assessed value for development, operation, and maintenance of a memorial building or monument, subject to the provisions of subsection 1.~~

~~3. A tax not to exceed thirteen and one-half cents per thousand dollars of assessed value for support of a symphony orchestra, subject to the provisions of subsection 1.~~

~~4. A tax not to exceed twenty-seven cents per thousand dollars of assessed value for the operation of cultural and scientific facilities, subject to the provisions of subsection 1, except that the question may be submitted on the council's own motion.~~

~~5. A tax to aid in the construction of a county bridge,~~

~~subject to the provisions of subsection 1, except that the question must be submitted at a special election. The expense of a special election under this subsection must be paid by the county. The notice of the special election must include full details of the proposal, including the location of the proposed bridge, the rate of tax to be levied, and all other conditions.~~

~~6. A tax to aid a company incorporated under the laws of this state in the construction of a highway or combination bridge across any navigable boundary river of this state, commencing or terminating in the city and suitable for use as highway, or for both highway and railway purposes. This tax levy is subject to the provisions of subsections 1 and 5. The levy is limited to one dollar and thirty-five cents per thousand dollars of the assessed value of taxable property in the city. The estimated cost of the bridge must be at least ten thousand dollars, and the city aid may not exceed one-half of the estimated cost. The notice of the special election must include the name of the corporation to be aided, and all conditions required of the corporation. Tax moneys received for this purpose may not be paid over by the county treasurer until the city has filed a statement that the corporation has complied with all conditions.~~

~~7. If a tax has been voted for aid of a bridge under subsection 6, a further tax may be voted for the purpose of purchasing the bridge, subject to the provisions of subsection 1. The levy under this subsection is limited to three dollars and thirty-seven and one-half cents per thousand dollars of the assessed value of the taxable property in the city, payable in not less than ten annual installments.~~

~~8. A tax for the purpose of carrying out the terms of a contract for the use of a bridge by a city situated on a river over which a bridge has been built. The tax may not exceed sixty-seven and one-half cents per thousand dollars of assessed value each year.~~

~~9. A tax for aid to a public transportation company,~~

~~subject to the procedure provided in subsection 1, except the question must be submitted at a special election. The levy is limited to three and three-eighths cents per thousand dollars of assessed value. In addition to any other conditions the following requirements must be met before moneys received for this purpose may be paid over by the county treasurer:~~

~~*a.* The public transportation company shall provide the city with copies of state and federal income tax returns for the five years preceding the year for which payment is contemplated or for such lesser period of time as the company has been in operation.~~

~~*b.* The city shall, in any given year, be authorized to pay over only such sums as will yield not to exceed two percent of the public transportation company's investment as the same is valued in its tax depreciation schedule, provided that corporate profits and losses for the five preceding years or for such lesser period of time as the company has been in operation shall not average in excess of a two percent net return. Taxes levied under this subsection may not be used to subsidize losses incurred prior to the election required by this subsection.~~

~~10.~~ 1. A tax for the operation and maintenance of a municipal transit system or for operation and maintenance of a regional transit district, and for the creation of a reserve fund for the system or district, in an amount not to exceed ninety-five cents per thousand dollars of assessed value each year, when the revenues from the transit system or district are insufficient for such purposes.

~~11. If a city has entered into a lease of a building or complex of buildings to be operated as a civic center, a tax sufficient to pay the installments of rent and for maintenance, insurance and taxes not included in the lease rental payments.~~

~~12. A tax not to exceed thirteen and one-half cents per thousand dollars of assessed value each year for operating and maintaining a civic center owned by a city.~~

~~13. A tax not to exceed six and three-fourths cents per thousand dollars of assessed value for planning a sanitary disposal project.~~

~~14.~~ 2. A tax not to exceed twenty-seven cents per thousand dollars of assessed value each year for an aviation authority as provided in section 330A.15.

~~15. A tax not to exceed six and three-fourths cents per thousand dollars of assessed value each year for a levee improvement fund in special charter cities as provided in section 420.155.~~

~~16. A tax not to exceed twenty and one-half cents per thousand dollars of assessed value each year to maintain an institution received by gift or devise, subject to an election as required under subsection 1.~~

~~17.~~ 3. A tax to pay the premium costs on tort liability insurance, property insurance, and any other insurance that may be necessary in the operation of the city, the costs of a self-insurance program, the costs of a local government risk pool and amounts payable under any insurance agreements to provide or procure such insurance, self-insurance program, or local government risk pool.

~~18. A tax to fund an emergency medical services district under chapter 357G.~~

~~19.~~ 4. A tax that exceeds any tax levy limit within this chapter, provided the question has been submitted at a special levy election and received a simple majority of the votes cast on the proposition to authorize the enumerated levy limit to be exceeded for the proposed budget year.

a. The election may be held as specified in this subsection if notice is given by the city council, not later than forty-six days before the first Tuesday in March, to the county commissioner of elections that the election is to be held.

b. An election under this subsection shall be held on the first Tuesday in March and be conducted by the county commissioner of elections in accordance with the law.

c. The ballot question shall be in substantially the following form:

WHICH TAX LEVY SHALL BE ADOPTED FOR THE CITY OF .....?

(Vote for only one of the following choices.)

CHANGE LEVY AMOUNT ...

Add to the existing levy amount a tax for the purpose of ..... (state purpose of proposed levy) at a rate of ... (rate) which will provide an additional $.... (amount).

KEEP CURRENT LEVY ...

Continue under the current maximum rate of ..., providing $.... (amount).

d. The commissioner of elections conducting the election shall notify the city officials and other county auditors where applicable, of the results within two days of the canvass which shall be held on the second day that is not a holiday following the special levy election, and beginning no earlier than 1:00 p.m. on that day.

e. Notice of the election shall be published twice in accordance with the provisions of section 362.3, except that the first such notice shall be given at least two weeks before the election.

f. The cost of the election shall be borne by the city.

g. The election provisions of this subsection shall supersede other provisions for elections only to the extent necessary to comply with the provisions of this subsection.

h. The provisions of this subsection apply to all cities, however organized, including special charter cities which may adopt ordinances where necessary to carry out these provisions.

i. The council shall certify the city's budget with the tax askings not exceeding the amount approved by the special levy election.

~~20. A tax not to exceed twenty-seven cents per thousand dollars of assessed value for support of a public library, subject to petition and referendum requirements of subsection 1, except that if a majority approves the levy, it shall be~~

~~imposed.~~

~~21.~~ 5. A tax for the support of a local emergency management commission established pursuant to chapter 29C.

Sec. 26. Section 384.22, subsection 1, Code 2023, is amended to read as follows:

1. Not later than December 1 of each year, a city shall publish an annual financial report as provided in section 362.3 containing a summary for the preceding fiscal year of all collections and receipts, all accounts due the city, and all expenditures, the current public debt of the city, and the legal debt limit of the city for the current fiscal year. The annual financial report shall be prepared on forms and pursuant to instructions prescribed by the auditor of state. Beginning with the annual financial report published by December 1, 2025, each report shall include a list of bonds, notes, or other obligations issued by the city during the most recently completed fiscal year, and the applicable lists for other fiscal years beginning on or after July 1, 2024, for which obligations remain unpaid, payable from any source, including the amount of the issuance, the project or purpose of the issuance, whether the issuance was approved at election, eligible to be subject to a petition for an election, or was exempt from approval at election as the result of statutory exclusions based on population of the city or amount of the issuance, and identification of issuances from the fiscal year or prior fiscal years related to the same project or purpose.

Sec. 27. Section 384.24, subsection 4, paragraph i, Code 2023, is amended by striking the paragraph.

Sec. 28. Section 384.24A, subsection 4, paragraph a, subparagraphs (1), (2), and (3), Code 2023, are amended to read as follows:

(1) ~~Four~~ Five hundred twenty thousand dollars in a city having a population of five thousand or less.

(2) ~~Seven~~ Nine hundred ten thousand dollars in a city having a population of more than five thousand but not more than

seventy-five thousand.

(3) One million three hundred thousand dollars in a city having a population of more than seventy-five thousand.

Sec. 29. Section 384.25, subsection 2, Code 2023, is amended to read as follows:

2. Before the council may institute proceedings for the issuance of bonds for an essential corporate purpose, a notice of the proposed action, including a statement of the amount and purposes of the bonds, and an estimate of the annual increase in property taxes as the result of the bond issuance on a residential property with an actual value of one hundred thousand dollars, and the time and place of the meeting at which the council proposes to take action for the issuance of the bonds, must be published as provided in section 362.3. At the meeting, the council shall receive oral or written objections from any resident or property owner of the city. After all objections have been received and considered, the council may, at that meeting or any adjournment thereof, take additional action for the issuance of the bonds or abandon the proposal to issue the bonds. Any resident or property owner of the city may appeal the decision of the council to take additional action to the district court of the county in which any part of the city is located, within fifteen days after the additional action is taken, but the additional action of the council is final and conclusive unless the court finds that the council exceeded its authority. The provisions of this subsection with respect to notice, hearing, and appeal, are in lieu of the provisions contained in chapter 73A, or any other law.

Sec. 30. Section 384.26, subsection 2, Code 2023, is amended to read as follows:

2. *a.* The board shall publish notice of the proposal to issue the bonds, including a statement of the amount and purpose of the bonds, a statement of the estimated cost of the project for which the bonds are to be issued, and an estimate

of the annual increase in property taxes as the result of the bond issuance on a residential property with an actual value of one hundred thousand dollars. The notice shall be published as provided in section 362.3 with the minutes of the meeting at which the council adopts a resolution to call a special election to vote upon the question of issuing the bonds. The cost of the project, as published in the notice pursuant to this paragraph, is an estimate and is not intended to be binding on the board in later proceedings related to the project.

b. Before the council may institute proceedings for the issuance of bonds for a general corporate purpose, it shall call a special city election to vote upon the question of issuing the bonds. At the election the proposition must be submitted in the following form:

Shall the ..... (insert the name of the city) issue its bonds in an amount not exceeding the amount of $.... for the purpose of .....?

Sec. 31. Section 384.26, subsection 5, paragraph a, unnumbered paragraph 1, Code 2023, is amended to read as follows:

Notwithstanding the provisions of subsection 2, a council may, in lieu of calling an election, institute proceedings for the issuance of bonds for a general corporate purpose by causing a notice of the proposal to issue the bonds, including a statement of the amount and purpose of the bonds, together with the maximum rate of interest which the bonds are to bear, and the right to petition for an election, to be published at least once in a newspaper of general circulation within the city at least ten days prior to the meeting at which it is proposed to take action for the issuance of the bonds subject to the following population-based limitations, adjusted and published annually in January by the department of management by applying the percentage change in the consumer price index for all urban consumers for the most recent available

twelve-month period published in the federal register by the United States department of labor, bureau of labor statistics:

Sec. 32. Section 384.26, subsection 5, paragraph a, subparagraphs (1), (2), and (3), Code 2023, are amended to read as follows:

(1) In cities having a population of five thousand or less, in an amount of not more than ~~four~~ five hundred twenty thousand dollars.

(2) In cities having a population of more than five thousand and not more than seventy-five thousand, in an amount of not more than ~~seven~~ nine hundred ten thousand dollars.

(3) In cities having a population in excess of seventy-five thousand, in an amount of not more than one million three hundred thousand dollars.

Sec. 33. Section 384.26, subsection 5, Code 2023, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0b.* Each city's population used to determine the limitations of paragraph "*a*" shall be determined by the greater of the city's population during the most recent federal decennial census or the most recent population estimate produced by the United States census bureau.

Sec. 34. Section 384.110, Code 2023, is amended to read as follows:

384.110 Insurance, self-insurance, and risk pooling funds.

A city may credit funds to a fund or funds for the purposes authorized by section 364.4, subsection 5; section 384.12, subsection ~~17~~ 3; or section 384.24, subsection 3, paragraph "*s*". Moneys credited to the fund or funds, and interest earned on such moneys, shall remain in the fund or funds until expended for purposes authorized by section 364.4, subsection 5; section 384.12, subsection ~~17~~ 3; or section 384.24, subsection 3, paragraph "*s*".

Sec. 35. REPEAL. Section 384.8, Code 2023, is repealed.

Sec. 36. EFFECTIVE DATE. This division of this Act takes effect July 1, 2024.

Sec. 37. APPLICABILITY. This division of this Act applies to taxes and budgets for fiscal years beginning on or after July 1, 2024.

DIVISION III

PUBLIC EDUCATION AND RECREATION TAX LEVY

Sec. 38. Section 276.1, Code 2023, is amended to read as follows:

276.1 Title.

This section, sections 276.2 through 276.5, and sections 276.8 through ~~276.11~~ 276.10 of this chapter shall be known and may be cited as the "*Iowa Community Education Act*".

Sec. 39. Section 276.3, unnumbered paragraph 1, Code 2023, is amended to read as follows:

As used in sections 276.1, 276.2, this section, sections 276.4, 276.5, and sections 276.8 through ~~276.11~~ 276.10, unless the context otherwise requires:

Sec. 40. Section 276.10, subsection 1, Code 2023, is amended to read as follows:

1. The board of directors of a local school district may establish a community education program for schools in the district and provide for the general supervision of the program. Financial support for the program ~~shall~~ may be provided from funds ~~raised pursuant to chapter 300~~ received by the school district under chapter 423F and from any private funds and any federal funds made available for the purpose of implementing this chapter. The program which recognizes that the schools belong to the people and which shall be centered in the schools may include but shall not be limited to the use of the school facilities day and night, year round including weekends and regular school vacation periods for educational, recreational, cultural, and other community services and programs for all age, ethnic, and socioeconomic groups residing in the community.

Sec. 41. Section 278.1, subsection 1, paragraph e, Code 2023, is amended to read as follows:

e. Direct the transfer of any surplus in the debt service fund, physical plant and equipment levy fund, or other capital project funds~~, or public education and recreation levy fund~~ to the general fund.

Sec. 42. Section 298A.6, Code 2023, is amended to read as follows:

298A.6 Public education and recreation levy fund.

The public education and recreation levy fund is a special revenue fund. A public education and recreation levy fund must be established in any school corporation which ~~levies~~ levied the tax authorized under section 300.2, Code 2023, or which ~~receives~~ received revenue from a chapter 28E agreement authorized under section 300.1, Code 2023. Moneys available in the fund at the conclusion of the fiscal year beginning July 1, 2026, and ending June 30, 2027, shall be expended by the school corporation for the purposes authorized under chapter 300, Code 2023.

Sec. 43. Section 300.2, Code 2023, is amended by adding the following new subsection:

NEW SUBSECTION. 4. *a.* A levy under this chapter shall not be approved by the voters on or after the effective date of this section of this division of this Act.

b. If the levy has not been discontinued under section 300.3, the authorization to impose the levy under this chapter shall terminate July 1, 2027.

c. Notwithstanding subsection 2, including a proposition approved at an election held before the effective date of this section of this division of this Act, the rate of a levy imposed by a board of directors under this chapter for the fiscal year beginning July 1, 2026, shall not exceed one-half of the levy rate imposed by the board of directors for the fiscal year beginning July 1, 2025.

Sec. 44. Section 423F.3, subsection 1, paragraph c, Code 2023, is amended by striking the paragraph.

Sec. 45. Section 423F.5, subsection 1, Code 2023, is amended

to read as follows:

1. A school district shall include as part of its financial audit for the budget year beginning July 1, 2007, and for each subsequent budget year the amount received during the year pursuant to chapter 423E or this chapter, as applicable. In addition, the financial audit shall include the amount of bond levies~~,~~ and physical plant and equipment levy~~, and public educational and recreational levy~~ reduced as a result of the moneys received under chapter 423E or this chapter, as applicable. The amount of the reductions shall be stated in terms of dollars and cents per one thousand dollars of valuation and in total amount of property tax dollars. Also included shall be an accounting of the amount of moneys received which were spent for infrastructure purposes pursuant to chapter 423E or this chapter, as applicable.

Sec. 46. REPEAL. Sections 276.11 and 276.12, Code 2023, are repealed.

Sec. 47. REPEAL. Chapter 300, Code 2023, is repealed.

Sec. 48. EFFECTIVE DATE. Except as otherwise provided in this division of this Act, this division of this Act takes effect July 1, 2027.

Sec. 49. EFFECTIVE DATE. The following, being deemed of immediate importance, takes effect upon enactment:

The section of this division of this Act enacting section 300.2, subsection 4.

Sec. 50. APPLICABILITY. Except for the section of this division of this Act enacting section 300.2, subsection 4, this division of this Act applies to fiscal years beginning on or after July 1, 2027.

DIVISION IV

BRUCELLOSIS AND TUBERCULOSIS ERADICATION FUND — LEVY

Sec. 51. Section 165.18, subsections 2 and 3, Code 2023, are amended by striking the subsections.

Sec. 52. Section 331.512, subsection 1, paragraph e, Code 2023, is amended by striking the paragraph.

Sec. 53. Section 331.559, subsection 2, Code 2023, is amended by striking the subsection.

Sec. 54. EFFECTIVE DATE. This division of this Act takes effect July 1, 2024.

Sec. 55. APPLICABILITY. This division of this Act applies to property taxes due and payable in fiscal years beginning on or after July 1, 2024.

DIVISION V

COUNTY SEATS

Sec. 56. Section 331.301, Code 2023, is amended by adding the following new subsection:

NEW SUBSECTION. 9A. Pursuant to the general grant of home rule power conferred by the Constitution of the State of Iowa and if not inconsistent with the laws of the general assembly, a county that has designated more than one city to be a county seat may consolidate or reduce the number of county seats by ordinance.

Sec. 57. REPEAL. 1848 Iowa Acts, First Extraordinary Session, chapter 52, is repealed.

Sec. 58. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION VI

COUNTY SHERIFF FEE REPORT

Sec. 59. Section 331.655, subsection 5, Code 2023, is amended by striking the subsection.

DIVISION VII

HOMESTEAD PROPERTY TAX CREDIT

Sec. 60. Section 2.48, subsection 3, paragraph f, subparagraph (1), Code 2023, is amended to read as follows:

(1) The homestead tax exemption and credit under chapter 425.

Sec. 61. Section 103.22, subsection 7, Code 2023, is amended to read as follows:

7. Prohibit an owner of property from performing work on the owner's principal residence, if such residence is an existing

dwelling rather than new construction and is not an apartment that is attached to any other apartment or building, as those terms are defined in section 499B.2, and is not larger than a single-family dwelling, or require such owner to be licensed under this chapter. In order to qualify for inapplicability pursuant to this subsection, a residence shall qualify for the homestead tax ~~exemption~~ credit.

Sec. 62. Section 105.11, subsection 3, Code 2023, is amended to read as follows:

3. Prohibit an owner of property from performing work on the owner's principal residence, if such residence is an existing dwelling rather than new construction and is not larger than a single-family dwelling, or farm property, excluding commercial or industrial installations or installations in public use buildings or facilities, or require such owner to be licensed under this chapter. In order to qualify for inapplicability pursuant to this subsection, a residence shall qualify for the homestead tax ~~exemption~~ credit.

Sec. 63. Section 331.401, subsection 1, paragraphs e and f, Code 2023, are amended to read as follows:

e. Adopt resolutions authorizing the county assessor to provide forms for homestead tax exemption and credit claimants as provided in section 425.2 and military service tax exemptions as provided in section 426A.14.

f. Examine and allow or disallow claims for homestead tax exemption and credit in accordance with section 425.3 and claims for military service tax exemption in accordance with chapter 426A. The board, by a single resolution, may allow or disallow the exemptions recommended by the assessor.

Sec. 64. Section 331.512, subsection 3, Code 2023, is amended to read as follows:

3. Carry out duties relating to the homestead tax exemption and credit and agricultural land tax credit as provided in chapters 425 and 426.

Sec. 65. Section 331.559, subsection 12, Code 2023, is

amended to read as follows:

12. Carry out duties relating to the administration of the homestead tax exemption and credit and other credits as provided in sections 425.4, 425.5, 425.7, 425.9, 425.10, and 425.25.

Sec. 66. NEW SECTION. **425.1A Homestead tax exemption.**

1. The following exemptions from taxation shall be allowed in addition to the homestead credit for an owner that has attained the age of sixty-five years by January 1 of the assessment year:

a. For the assessment year beginning January 1, 2024, the eligible homestead, not to exceed three thousand two hundred fifty dollars in taxable value.

b. For the assessment year beginning January 1, 2025, and each succeeding assessment year, the eligible homestead, not to exceed six thousand five hundred dollars in taxable value.

2. Section 25B.7, subsection 1, shall not apply to the property tax exemption provided in this section.

Sec. 67. Section 425.2, Code 2023, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. The form for claiming the credit shall also include the ability to claim the exemption under section 425.1A for qualified owners. If the claim for the homestead credit is allowed, such allowance shall also include allowance of the homestead exemption if the owner meets the age criteria for the exemption. The homestead exemption shall be allowed for successive years without further filing in the same manner as the homestead credit.

Sec. 68. Section 425.3, subsection 4, Code 2023, is amended to read as follows:

4. The county auditor shall forward the claims to the board of supervisors. The board shall allow or disallow the claims. If the board disallows a claim, it shall send written notice, by mail, to the claimant at the claimant's last known address. The notice shall state the reasons for disallowing the claim

~~for the credit~~. The board is not required to send notice that a claim is disallowed if the claimant voluntarily withdraws the claim.

Sec. 69. Section 425.4, Code 2023, is amended to read as follows:

425.4 Certification to treasurer.

All claims which have been allowed by the board of supervisors shall be certified on or before August 1, in each year, by the county auditor to the county treasurer, which certificates shall list the total amount of dollars, listed by taxing district in the county, due for homestead tax exemptions and credits claimed and allowed. The county treasurer shall ~~forthwith~~ then certify to the department of revenue the total amount of dollars, listed by taxing district in the county, due for homestead tax exemptions and credits claimed and allowed.

Sec. 70. Section 425.6, Code 2023, is amended to read as follows:

425.6 Waiver by neglect.

If a person fails to file a claim or to have a claim on file with the assessor for the credits provided in this subchapter, the person is deemed to have waived the homestead exemption and credit for the year in which the person failed to file the claim or to have a claim on file with the assessor.

Sec. 71. Section 425.7, subsection 3, Code 2023, is amended to read as follows:

3. *a.* If the department of revenue determines that a claim for homestead exemption and credit has been allowed by the board of supervisors which is not justifiable under the law and not substantiated by proper facts, the department may, at any time within thirty-six months from July 1 of the year in which the claim is allowed, set aside the allowance. Notice of the disallowance shall be given to the county auditor of the county in which the claim has been improperly granted and a written notice of the disallowance shall also be addressed to the claimant at the claimant's last known address. The

claimant or board of supervisors may appeal to the director of revenue within thirty days from the date of the notice of disallowance. The director shall grant a hearing and if, upon the hearing, the director determines that the disallowance was incorrect, the director shall set aside the disallowance. The director shall notify the claimant and the board of supervisors of the result of the hearing. The claimant or the board of supervisors may seek judicial review of the action of the director of revenue in accordance with chapter 17A.

b. If a claim is disallowed by the department of revenue and not appealed to the director of revenue or appealed to the director of revenue and thereafter upheld upon final resolution, including any judicial review, any amounts of exemptions allowed and credits allowed and paid from the homestead credit fund including the penalty, if any, become a lien upon the property on which the exemption or credit was originally granted, if still in the hands of the claimant, and not in the hands of a bona fide purchaser, and any amount so erroneously paid including the penalty, if any, shall be collected by the county treasurer in the same manner as other taxes and the collections shall be returned to the department of revenue and credited to the homestead credit fund. The director of revenue may institute legal proceedings against a homestead credit claimant for the collection of payments made on disallowed credits and the penalty, if any. If a person makes a false claim or affidavit with fraudulent intent to obtain the homestead exemption or credit, the person is guilty of a fraudulent practice and the claim shall be disallowed in full. If the credit has been paid, the amount of the credit plus a penalty equal to twenty-five percent of the amount of credit plus interest, at the rate in effect under section 421.7, from the time of payment shall be collected by the county treasurer in the same manner as other property taxes, penalty, and interest are collected and when collected shall be paid to the director of revenue. If a homestead

exemption or credit is disallowed and the claimant failed to give written notice to the assessor as required by section 425.2 when the property ceased to be used as a homestead by the claimant, a civil penalty equal to five percent of the amount of the disallowed exemption or credit is assessed against the claimant.

Sec. 72. Section 425.9, subsections 2, 3, and 4, Code 2023, are amended to read as follows:

2. If any claim for exemption or credit ~~made hereunder~~ has been denied by the board of supervisors, and such action is subsequently reversed on appeal, the exemption or credit shall be allowed on the homestead involved in said appeal, and the director of revenue, the county auditor, and the county treasurer shall make such exemption or credit and change their books and records accordingly.

3. In the event the appealing taxpayer has paid one or both of the installments of the tax payable in the year or years in question on such homestead valuation, remittance shall be made to such taxpayer of the amount of such credit or exemption.

4. The amount of such credit shall be allocated and paid from the surplus redeposited in the homestead credit fund provided for in subsection 1. The amount of such exemption not covered by the credit shall be allowed as a credit on future taxes due and payable.

Sec. 73. Section 425.10, Code 2023, is amended to read as follows:

425.10 Reversal of allowed claim.

In the event any claim is allowed, and subsequently reversed on appeal, any exemption and credit made under the claim shall be void. The amount of the erroneous exemption and credit shall be charged against the property in question, and the director of revenue, the county auditor, and the county treasurer are authorized and directed to correct their books and records accordingly. The amount of the erroneous credit, when collected, shall be returned by the county treasurer to

the homestead credit fund to be reallocated the following year as provided in this subchapter.

Sec. 74. Section 425.11, subsection 1, paragraph d, subparagraph (3), Code 2023, is amended to read as follows:

(3) It must not embrace more than one dwelling house, but where a homestead has more than one dwelling house situated thereon, the exemption and credit provided for in this subchapter shall apply to the home and buildings used by the owner, but shall not apply to any other dwelling house and buildings appurtenant.

Sec. 75. Section 425.11, subsection 1, paragraph e, Code 2023, is amended to read as follows:

e. "Owner" means the person who holds the fee simple title to the homestead, and in addition shall mean the person occupying as a surviving spouse or the person occupying under a contract of purchase which contract has been recorded in the office of the county recorder of the county in which the property is located; or the person occupying the homestead under devise or by operation of the inheritance laws where the whole interest passes or where the divided interest is shared only by persons related or formerly related to each other by blood, marriage or adoption; or the person occupying the homestead is a shareholder of a family farm corporation that owns the property; or the person occupying the homestead under a deed which conveys a divided interest where the divided interest is shared only by persons related or formerly related to each other by blood, marriage or adoption; or where the person occupying the homestead holds a life estate with the reversion interest held by a nonprofit corporation organized under chapter 504, provided that the holder of the life estate is liable for and pays property tax on the homestead; or where the person occupying the homestead holds an interest in a horizontal property regime under chapter 499B, regardless of whether the underlying land committed to the horizontal property regime is in fee or as a leasehold interest, provided

that the holder of the interest in the horizontal property regime is liable for and pays property tax on the homestead; or where the person occupying the homestead is a member of a community land trust as defined in 42 U.S.C. §12773, regardless of whether the underlying land is in fee or as a leasehold interest, provided that the member of the community land trust is occupying the homestead and is liable for and pays property tax on the homestead. For the purpose of this subchapter, the word *"owner"* shall be construed to mean a bona fide owner and not one for the purpose only of availing the person of the benefits of this subchapter. In order to qualify for the homestead tax exemption and credit, evidence of ownership shall be on file in the office of the clerk of the district court or recorded in the office of the county recorder at the time the owner files with the assessor a verified statement of the homestead claimed by the owner as provided in section 425.2.

Sec. 76. Section 425.12, Code 2023, is amended to read as follows:

425.12 Indian land.

Each forty acres of land, or fraction thereof, occupied by a member or members of the Sac and Fox Indians in Tama county, which land is held in trust by the secretary of the interior of the United States for said Indians, shall be given a homestead tax exemption and credit within the meaning and under the provisions of this subchapter. Application for such homestead tax exemption and credit shall be made to the county auditor of Tama county and may be made by a representative of the tribal council.

Sec. 77. Section 425.13, Code 2023, is amended to read as follows:

425.13 Conspiracy to defraud.

If any two or more persons conspire and confederate together with fraudulent intent to obtain the exemption or credit provided for under the terms of this subchapter by making a false deed, or a false contract of purchase, they are guilty of

a fraudulent practice.

Sec. 78. Section 425.16, subsection 1, Code 2023, is amended to read as follows:

1. In addition to the homestead tax credit allowed under section 425.1, subsections 1 through 4, and the homestead exemption under section 425.1A, if applicable, persons who own or rent their homesteads and who meet the qualifications provided in this subchapter are eligible for a property tax credit for property taxes due or reimbursement of rent constituting property taxes paid.

Sec. 79. Section 425.17, subsections 4 and 8, Code 2023, are amended to read as follows:

4. *"Homestead"* means the dwelling owned or rented and actually used as a home by the claimant during the period specified in subsection 2, and so much of the land surrounding it including one or more contiguous lots or tracts of land, as is reasonably necessary for use of the dwelling as a home, and may consist of a part of a multidwelling or multipurpose building and a part of the land upon which it is built. It does not include personal property except that a manufactured or mobile home may be a homestead. Any dwelling or a part of a multidwelling or multipurpose building which is exempt from taxation, except for an exemption under section 425.1A, does not qualify as a homestead under this subchapter. However, solely for purposes of claimants living in a property and receiving reimbursement for rent constituting property taxes paid immediately before the property becomes tax exempt, and continuing to live in it after it becomes tax exempt, the property shall continue to be classified as a homestead. A homestead must be located in this state. When a person is confined in a nursing home, extended-care facility, or hospital, the person shall be considered as occupying or living in the person's homestead if the person is the owner of the homestead and the person maintains the homestead and does not lease, rent, or otherwise receive profits from other persons

for the use of the homestead.

8. "*Property taxes due*" means property taxes including any special assessments, but exclusive of delinquent interest and charges for services, due on a claimant's homestead in this state, but includes only property taxes for which the claimant is liable and which will actually be paid by the claimant. However, if the claimant is a person whose property taxes have been suspended under sections 427.8 and 427.9, "*property taxes due*" means property taxes including any special assessments, but exclusive of delinquent interest and charges for services, due on a claimant's homestead in this state, but includes only property taxes for which the claimant is liable and which would have to be paid by the claimant if the payment of the taxes has not been suspended pursuant to sections 427.8 and 427.9. "*Property taxes due*" shall be computed with no deduction for any credit under this subchapter or for any homestead exemption under section 425.1A or credit allowed under ~~section 425.1~~ subchapter I. Each claim shall be based upon the taxes due during the fiscal year next following the base year. If a homestead is owned by two or more persons as joint tenants or tenants in common, and one or more persons are not members of claimant's household, "*property taxes due*" is that part of property taxes due on the homestead which equals the ownership percentage of the claimant and the claimant's household. The county treasurer shall include with the tax receipt a statement that if the owner of the property is eighteen years of age or over, the person may be eligible for the credit allowed under this subchapter. If a homestead is an integral part of a farm, the claimant may use the total property taxes due for the larger unit. If a homestead is an integral part of a multidwelling or multipurpose building the property taxes due for the purpose of this subsection shall be prorated to reflect the portion which the value of the property that the household occupies as its homestead is to the value of the entire structure. For purposes of this subsection, "*unit*" refers to

that parcel of property covered by a single tax statement of which the homestead is a part.

Sec. 80. Section 435.26, subsection 1, paragraph a, Code 2023, is amended to read as follows:

a. A mobile home or manufactured home which is located outside a manufactured home community or mobile home park shall be converted to real estate by being placed on a permanent foundation and shall be assessed for real estate taxes. A home, after conversion to real estate, is eligible for the homestead tax exemption and credit and the military service tax exemption as provided in ~~sections 425.2 and~~ chapter 425, subchapter I, and section 426A.11. A taxable mobile home or manufactured home which is located outside of a manufactured home community or mobile home park as of January 1, 1995, is also exempt from the permanent foundation requirements of this chapter until the home is relocated.

Sec. 81. Section 435.26A, subsection 3, Code 2023, is amended to read as follows:

3. After the surrender of a manufactured home's certificate of title under this section, the manufactured home shall continue to be taxed under section 435.22 and is not eligible for the homestead tax exemption and credit or the military service tax exemption and credit. A foreclosure action on a manufactured home whose title has been surrendered under this section shall be conducted as a real estate foreclosure. A tax lien and its priority shall remain the same on a manufactured home after its certificate of title has been surrendered.

Sec. 82. Section 499A.14, Code 2023, is amended to read as follows:

499A.14 Taxation.

The real estate shall be taxed in the name of the cooperative, and each member of the cooperative shall pay that member's proportionate share of the tax in accordance with the proration formula set forth in the bylaws, and each member occupying an apartment as a residence shall receive

that member's proportionate homestead tax exemption and credit and each veteran of the military services of the United States identified as such under the laws of the state of Iowa or the United States shall receive as a credit that member's veterans tax benefit as prescribed by the laws of the state of Iowa.

Sec. 83. EXISTING HOMESTEAD CLAIMS. Homestead credit claims approved under chapter 425, subchapter I, prior to and valid on the effective date of this division of this Act shall result in a homestead exemption under chapter 425, subchapter I, as enacted in this division of this Act, without further filing by the claimant if the claimant meets the criteria for the exemption and the assessor has appropriate information to verify such eligibility.

Sec. 84. APPLICABILITY. This division of this Act applies to assessment years beginning on or after January 1, 2024.

DIVISION VIII

ELDERLY PROPERTY TAX CREDIT

Sec. 85. Section 425.23, subsection 1, paragraph c, subparagraph (2), Code 2023, is amended to read as follows:

(2) The difference between the actual amount of net property taxes ~~due~~ on the homestead during the fiscal year next following the base year minus the actual amount of net property taxes ~~due~~ on the homestead during the first fiscal year for which the claimant filed a claim for a credit calculated under this paragraph "*c*" and for which the property taxes ~~due~~ on the homestead were calculated on an assessed valuation that was not a partial assessment and if the claimant has filed for the credit calculated under this paragraph "*c*" for each of the subsequent fiscal years after the first credit claimed.

Sec. 86. Section 425.23, subsection 2, Code 2023, is amended to read as follows:

2. *a.* ~~The~~ Except as provided in paragraph "*b*", the actual credit for property taxes due shall be determined by subtracting from the tentative credit the amount of the homestead credit under section 425.1 which is allowed as a

credit against property taxes due in the fiscal year next following the base year by the claimant or any person of the claimant's household. If the subtraction produces a negative amount, there shall be no credit but no refund shall be required. The actual reimbursement for rent constituting property taxes paid shall be equal to the tentative reimbursement.

b. If the claimant's tentative credit is the amount determined under subsection 1, paragraph "*c*", subparagraph (2), the actual credit amount shall be equal to the tentative credit amount.

Sec. 87. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 88. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to claims under chapter 425, subchapter II, filed on or after January 1, 2022.

DIVISION IX

MILITARY SERVICE PROPERTY TAX EXEMPTION AND CREDIT

Sec. 89. Section 25B.7, subsection 2, paragraph c, Code 2023, is amended by striking the paragraph.

Sec. 90. Section 426A.1A, Code 2023, is amended to read as follows:

426A.1A Appropriation.

~~There~~ For each fiscal year beginning before July 1, 2025, there is appropriated from the general fund of the state the amounts necessary to fund the credits provided under this chapter.

Sec. 91. Section 426A.2, Code 2023, is amended to read as follows:

426A.2 Military service tax credit.

~~The~~ For each fiscal year beginning before July 1, 2025, the moneys appropriated under section 426A.1A shall be apportioned each year so as to replace all or a portion of the tax which would be due on property eligible for military service tax exemption in the state, if the property were subject to

taxation, the amount of the credit to be not more than six dollars and ninety-two cents per thousand dollars of assessed value of property which would be subject to the tax, except for the military service tax exemption.

Sec. 92. Section 426A.11, subsections 1 and 2, Code 2023, are amended to read as follows:

1. The property, not to exceed two thousand seven hundred seventy-eight dollars in taxable value for assessment years beginning before January 1, 2024, of any veteran, as defined in section 35.1, of World War I.

2. *a.* The property, not to exceed one thousand eight hundred fifty-two dollars in taxable value for assessment years beginning before January 1, 2024, of an honorably separated, retired, furloughed to a reserve, placed on inactive status, or discharged veteran, as defined in section 35.1, subsection 2, paragraph *"a"* or *"b"*.

b. The property, not to exceed four thousand dollars in taxable value for the assessment years beginning on or after January 1, 2024, of an honorably separated, retired, furloughed to a reserve, placed on inactive status, or discharged veteran, as defined in section 35.1, subsection 2, paragraph *"a"* or *"b"*.

Sec. 93. IMPLEMENTATION. Section 25B.7, subsection 1, shall not apply to the property tax exemption provided in this Act.

Sec. 94. APPLICABILITY. This division of this Act applies to assessment years beginning on or after January 1, 2024.

DIVISION X

PROPERTY TAX BENEFITS AND INCENTIVES

Sec. 95. NEW SECTION. **404.3C Assessment agreements — commercial property.**

1. For revitalization areas established under this chapter on or after the effective date of this division of this Act and for first-year exemption applications for property located in a revitalization area in existence on the effective date of this division of this Act filed on or after the effective

date of this division of this Act, commercial property shall not receive a tax exemption under this chapter unless the city or county, as applicable, and the owner of the qualified real estate enter into a written assessment agreement specifying a minimum actual value until a specified termination date for the duration of the exemption period.

2. *a.* The assessment agreement shall be presented to the appropriate assessor. The assessor shall review the plans and specifications for the improvements to be made to the property and if the minimum actual value contained in the assessment agreement appears to be reasonable, the assessor shall execute the following certification upon the agreement:

The undersigned assessor, being legally responsible for the assessment of the above described property upon completion of the improvements to be made on it, certifies that the actual value assigned to that land and improvements upon completion shall not be less than $.....

b. The assessment agreement with the certification of the assessor and a copy of this subsection shall be filed in the office of the county recorder of the county where the property is located. Upon completion of the improvements, the assessor shall value the property as required by law, except that the actual value shall not be less than the minimum actual value contained in the assessment agreement. This subsection does not prohibit the assessor from assigning a higher actual value to the property or prohibit the owner from seeking administrative or legal remedies to reduce the actual value assigned except that the actual value shall not be reduced below the minimum actual value contained in the assessment agreement. An assessor, county auditor, board of review, director of revenue, or court of this state shall not reduce or order the reduction of the actual value below the minimum actual value in the agreement during the term of the agreement regardless of the actual value which may result from the incomplete construction of improvements, destruction or

diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording of an assessment agreement complying with this subsection constitutes notice of the assessment agreement to a subsequent purchaser or encumbrancer of the land or any part of it, whether voluntary or involuntary, and is binding upon a subsequent purchaser or encumbrancer.

Sec. 96. NEW SECTION. **404.3D Exemptions for residential property.**

For revitalization areas established under this chapter on or after the effective date of this division of this Act and for first-year exemption applications for property located in a revitalization area in existence on the effective date of this division of this Act filed on or after the effective date of this division of this Act, an exemption authorized under this chapter for property that is residential property shall not apply to property tax levies imposed by a school district.

Sec. 97. EFFECTIVE DATE. This division of this Act takes effect July 1, 2024.

DIVISION XI

TRANSIT FUNDING

Sec. 98. Section 364.2, subsection 4, paragraph f, subparagraph (1), subparagraph division (b), Code 2023, is amended to read as follows:

(b) For franchise fees assessed and collected during fiscal years beginning on or after July 1, ~~2013~~ 2024, ~~but before July 1, 2030,~~ by a city ~~that is the subject of a judgment, court-approved settlement, or court-approved compromise providing for payment of restitution, a refund, or a return described in section 384.3A, subsection 3, paragraph "j"~~ with a population exceeding two hundred thousand, the rate of the franchise fee shall not exceed seven and one-half percent of gross revenues generated from sales of the franchisee in the city, and franchise fee amounts assessed and collected ~~during such fiscal years~~ in excess of five percent of gross

revenues generated from sales shall be used solely for the purpose specified in section 384.3A, subsection 3, paragraph "j". ~~A city may assess and collect a franchise fee in excess of five percent of gross revenues generated from the sales of the franchisee pursuant to this subparagraph division (b) for a period not to exceed seven consecutive fiscal years once the franchise fee is first imposed at a rate in excess of five percent. An ordinance increasing the franchise fee rate to greater than five percent pursuant to this subparagraph division (b) shall not become effective unless approved at an election. After passage of the ordinance, the council shall submit the proposal at a special election held on a date specified in section 39.2, subsection 4, paragraph "b". If a majority of those voting on the proposal approves the proposal, the city may proceed as proposed. The complete text of the ordinance shall be included on the ballot and the full text of the ordinance posted for the voters pursuant to section 52.25. All absentee voters shall receive the full text of the ordinance along with the absentee ballot. This subparagraph division (b) is repealed July 1, 2030.~~

Sec. 99. Section 384.3A, subsection 3, paragraph j, Code 2023, is amended to read as follows:

j. For franchise fees assessed and collected by a city in excess of five percent of gross revenues generated from sales of the franchisee within the city pursuant to section 364.2, subsection 4, paragraph "f", subparagraph (1), subparagraph division (b), during fiscal years beginning on or after July 1, ~~2013~~ 2024, ~~but before July 1, 2030, the adjustment, renewal, or extension of any part or all of the legal indebtedness of a city, whether evidenced by bonds, warrants, court-approved settlements, court-approved compromises, or judgments, or the funding or refunding of the same, if such legal indebtedness relates to restitution, a refund, or a return ordered by a court of competent jurisdiction for franchise fees assessed and collected by the city before June 20, 2013~~ solely for the

reduction of property tax levies that support the operation and maintenance of a municipal transit system or a regional transit district or to maintain transportation service levels of a municipal transit system or a regional transit district. ~~This paragraph "j" is repealed July 1, 2030.~~

Sec. 100. EFFECTIVE DATE. This division of this Act takes effect July 1, 2024.

DIVISION XII

COUNTY AUDITOR VALUATION REPORTS

Sec. 101. Section 331.510, subsections 3 and 4, Code 2023, are amended to read as follows:

3. An annual report not later than January 1 to the department of management of the valuation by class of property for each taxing district in the county on forms provided by the department of management. The valuations reported shall be those valuations used for determining the levy rates necessary to fund the budgets of the taxing districts for the following fiscal year. Each annual report under this subsection for assessment years beginning on or after January 1, 2024, shall distinguish such values as revaluation or other type of addition to value, as defined and submitted in the assessor's abstract transmitted to the department of revenue under section 441.45.

4. An annual report not later than January 1 to the governing body of each taxing district in the county of the assessed valuations of taxable property in the taxing district as reported to the department of management. Each annual report under this subsection for assessment years beginning on or after January 1, 2024, shall distinguish such values as revaluation or other type of addition to value, as defined and submitted in the assessor's abstract transmitted to the department of revenue under section 441.45.

DIVISION XIII

LOCAL GOVERNMENT BUDGETS AND TAXPAYER STATEMENTS

Sec. 102. NEW SECTION. **24.2A Budget statements to owners**

and taxpayers.

1. For purposes of this section only:

a. "Budget year" is the fiscal year beginning during the calendar year in which a budget is certified.

b. "Current fiscal year" is the fiscal year ending during the calendar year in which a budget for the budget year is certified.

c. "Effective property tax rate" means the property tax rate per one thousand dollars of assessed value and is equal to one thousand multiplied by the quotient of the current fiscal year's actual property tax dollars certified for levy divided by the total assessed value used to calculate taxes for the budget year.

d. "Political subdivision" means a school district, a county, or a city.

2. *a.* On or before March 15 of each year, each political subdivision shall file with the department of management a report containing all necessary information for the department of management to compile and calculate amounts required to be included in the statements mailed under paragraph *"b"*.

b. Not later than March 20, the county auditor, using information compiled and calculated by the department of management under paragraph *"a"*, shall send to each property owner or taxpayer within the county by regular mail an individual statement containing all of the following for each of the political subdivisions comprising the owner's or taxpayer's taxing district:

(1) The sum of the current fiscal year's actual property taxes certified for levy for all of the political subdivision's levies and the combined property tax rate per one thousand dollars for such tax amount for the current fiscal year.

(2) The combined effective property tax rate for the political subdivision calculated using the sum of the current fiscal year's actual property taxes certified for levy for all of the political subdivision's levies under subparagraph (1).

(3) The combined amount of the proposed property tax dollars to be certified for all of the political subdivision's levies for the budget year and the proposed combined property tax rate per one thousand dollars for such levies.

(4) If the proposed property tax dollars specified under subparagraph (3) exceeds the current fiscal year's actual property tax dollars certified for levy specified in subparagraph (1), a detailed statement of the major reasons for the increase, including the specific purposes or programs for which the political subdivision is proposing an increase.

(5) An example comparing the amount of property taxes on a residential property with an actual value of one hundred thousand dollars in the current fiscal year and such amount on the residential property using the proposed property tax dollars for the budget year, including the percentage difference in such amounts.

(6) An example comparing the amount of property taxes on a commercial property with an actual value of one hundred thousand dollars in the current fiscal year and such amount on the commercial property using the proposed property tax dollars for the budget year, including the percentage difference in such amounts.

(7) The political subdivision's percentage of total property taxes certified for levy in the owner's or taxpayer's taxing district in the current fiscal year among all taxing authorities.

(8) The date, time, and location of the political subdivision's public hearing required under subsection 4.

(9) Information on how to access on the political subdivision's internet site the political subdivision's statements under this section and other budget documents for prior fiscal years.

3. The department of management shall prescribe the form for the report required under subsection 2, paragraph "a", the statements required to be mailed under subsection 2, paragraph

"b", and the public hearing notice required under subsection 4, paragraph "b".

4. *a.* Each political subdivision shall set a time and place for a public hearing on the political subdivision's proposed property tax amount for the budget year and the political subdivision's information included in the statements under subsection 2. At the hearing, the governing body of the political subdivision shall receive oral or written testimony from any resident or property owner of the political subdivision. This public hearing shall be separate from any other meeting of the governing body of the political subdivision, including any other meeting or public hearing relating to the political subdivision's budget, and other business of the political subdivision that is not related to the proposed property tax amounts and the information in the statements shall not be conducted at the public hearing. After all testimony has been received and considered, the governing body may decrease, but not increase, the proposed property tax amount to be included in the political subdivision's budget.

b. (1) If the political subdivision is a county, notice of the public hearing shall be published not less than ten nor more than twenty days prior to the hearing in the county newspapers selected under chapter 349.

(2) If the political subdivision is a city, notice of the public hearing shall be published not less than ten nor more than twenty days prior to the hearing in a newspaper published at least once weekly and having general circulation in the city. However, if the city has a population of two hundred or less, publication may be made by posting in three public places in the city.

(3) If the political subdivision is a school district, notice of the public hearing shall be published not less than ten nor more than twenty days prior to the hearing in a newspaper published in the school district, if any, and if not, then in a newspaper of general circulation in the school

district.

c. Notice of the hearing shall also be posted and clearly identified on the political subdivision's internet site for public viewing beginning on the date of the newspaper publication and shall be maintained on the political subdivision's internet site with all such prior year notices and copies of the statements mailed under subsection 2. Additionally, if the political subdivision maintains a social media account on one or more social media applications, the public hearing notice or an electronic link to the public hearing notice shall be posted on each such account on the same day as the publication of the notice.

Sec. 103. Section 24.3, unnumbered paragraph 1, Code 2023, is amended to read as follows:

A municipality shall not certify or levy in any fiscal year any tax on property subject to taxation unless and until the following estimates have been made, filed, and considered, and for school districts, the individual statements have been mailed and public hearings held, as provided in this chapter:

Sec. 104. Section 24.10, Code 2023, is amended to read as follows:

24.10 Levies void.

The verified proof of the publication of the notice under section 24.9 shall be filed in the office of the county auditor and preserved by the auditor. A levy shall not be valid unless and until ~~that notice is~~ such notices are published, mailed, and filed. However, failure of an owner or taxpayer to receive a statement under section 24.2A shall not invalidate a levy.

Sec. 105. Section 24.17, subsection 1, Code 2023, is amended to read as follows:

1. The local budgets of the various political subdivisions shall be certified by the chairperson of the certifying board or levying board, as the case may be, in duplicate to the county auditor not later than March 15 of each year on forms, and pursuant to instructions, prescribed by the department

of management. However, if the political subdivision is a county, ~~or a~~ city, ~~its budget shall be certified not later than March 31 of each year, and if the political subdivision is~~ or a school district, as defined in section 257.2, its budget shall be certified not later than April ~~15~~ 30 of each year.

Sec. 106. Section 24.27, subsection 1, Code 2023, is amended to read as follows:

1. Not later than ~~March 25, or April 10 for a county or a city, or April 25 if the municipality is a school district~~ May 10, a number of persons in any ~~municipality~~ political subdivision equal to one-fourth of one percent of those voting for the office of governor, at the last general election in the ~~municipality~~ political subdivision, but the number shall not be less than ten, and the number need not be more than one hundred persons, who are affected by any proposed budget, expenditure or tax levy, or by any item thereof, may appeal from any decision of the certifying board or the levying board by filing with the county auditor of the county in which the ~~municipal corporation~~ political subdivision is located, a written protest setting forth their objections to the budget, expenditure or tax levy, or to one or more items thereof, and the grounds for their objections. If a budget is certified after ~~March 15, or March 31 in the case of a county or a city, or~~ April ~~15 in the case of a school district~~ 30, all appeal time limits shall be extended to correspond to allowances for a timely filing.

Sec. 107. Section 24.28, Code 2023, is amended to read as follows:

24.28 Hearing on protest.

The state board, within a reasonable time, shall fix a date for an initial hearing on the protest and may designate a deputy to hold the hearing, which shall be held in the county or in one of the counties in which the ~~municipality~~ political subdivision is located. Notice of the time and place of the hearing shall be given by certified mail to the appropriate officials of the local government and to the first ten property

owners whose names appear upon the protest, at least five days before the date fixed for the hearing. At all hearings, the burden shall be upon the objectors with reference to any proposed item in the budget which was included in the budget of the previous year and which the objectors propose should be reduced or excluded; but the burden shall be upon the certifying board or the levying board, as the case may be, to show that any new item in the budget, or any increase in any item in the budget, is necessary, reasonable, and in the interest of the public welfare.

Sec. 108. Section 24.48, subsection 4, Code 2023, is amended to read as follows:

4. The city finance committee shall have officially notified any city of its approval, modification or rejection of the city's appeal of the decision of the director of the department of management regarding a city's request for a suspension of the statutory property tax levy limitation prior to thirty-five days before ~~March 31~~April 30.

Sec. 109. Section 275.29, subsection 1, Code 2023, is amended to read as follows:

1. Between July 1 and July 20, or on a date determined by agreement of the initial board and the boards of districts receiving territory of the school districts affected, but not later than August 30, the initial board shall meet with the boards of districts receiving territory of the school districts affected, for the purpose of reaching joint agreement on an equitable division of the assets and an equitable distribution of the liabilities of the school districts affected. In addition, if outstanding general obligation indebtedness is in existence in any district, the initial board of directors of the newly formed school district shall meet with the boards of all school districts affected prior to April ~~15~~ 30 prior to the school year the reorganization is effective to determine the distribution of liability for payment of the general obligation bonded indebtedness between the districts so that

New Language

New Language

the newly formed district may certify its budget under the procedures specified in chapter 24. The boards shall consider the mandatory levy required in section 76.2 and shall assure the satisfaction of outstanding obligations. If a school district affected by the reorganization has outstanding bonds issued under section 423E.5 or 423F.4, the joint agreement shall assure that the estimated revenue under section 423F.2 for each district to which liability for payment of such bonds is assigned is sufficient for the payment of principal and interest on the outstanding bonds required to be paid in the budget year following reorganization.

Sec. 110. Section 298.2, subsection 1, paragraph b, Code 2023, is amended to read as follows:

b. For school budget years beginning on or after July 1, 2015, a school district may by resolution of the board of directors adopted prior to April ~~15~~ 30 preceding the budget year impose a physical plant and equipment levy at a rate in excess of the levy rate limitations under paragraph "*a*" if the board has refunded or refinanced a loan agreement entered into under section 297.36 and such refunding or refinancing complies with the maturity period authorized under section 297.36, subsection 1, paragraph "*c*", and results in a lower amount of interest on the amount of the loan agreement. However, the rate imposed by a school district under this paragraph shall not exceed the rate imposed during the budget year in which the loan agreement was refunded or refinanced. Authorization to exceed the levy rate limitations of paragraph "*a*" shall terminate upon the maturity of the loan agreement after refunding or refinancing. Upon adoption of the resolution under this paragraph "*b*", the board shall comply with the requirements of section 297.36, subsection 1, paragraph "*b*".

Sec. 111. Section 298.2, subsection 3, Code 2023, is amended to read as follows:

3. The board of directors of a school district may certify for levy by April ~~15~~ 30 of a school year a tax on all taxable

property in the school district for the regular physical plant and equipment levy.

Sec. 112. Section 298.2, subsection 4, paragraph b, Code 2023, is amended to read as follows:

b. If a combination of a property tax and income surtax is used, by April ~~15~~ 30 of the previous school year, the board shall certify the percent of the income surtax to be imposed and the amount to be raised to the department of management and the department of management shall establish the rate of the property tax and income surtax for the school year. The physical plant and equipment property tax and income surtax shall be levied or imposed, collected, and paid to the school district in the manner provided for the instructional support program in sections 257.21 through 257.26.

Sec. 113. Section 298.4, subsection 1, unnumbered paragraph 1, Code 2023, is amended to read as follows:

The board of directors of a school district may certify for levy by April ~~15~~ 30 of a school year, a tax on all taxable property in the school district for a district management levy. The revenue from the tax levied in this section shall be placed in the district management levy fund of the school district. The district management levy shall be expended only for the following purposes:

Sec. 114. Section 298.10, subsection 1, Code 2023, is amended to read as follows:

1. The board of directors of a school district may certify for levy by April ~~15~~ 30 of a school year, a tax on all taxable property in the school district in order to raise an amount for a necessary cash reserve for a school district's general fund. The amount raised for a necessary cash reserve does not increase a school district's authorized expenditures as defined in section 257.7.

Sec. 115. Section 300.2, subsection 2, Code 2023, is amended to read as follows:

2. If a majority of the votes cast upon the proposition is

in favor of the proposition, the board shall certify the amount required for a fiscal year to the county board of supervisors by April ~~15~~ 30 of the preceding fiscal year. The board of supervisors shall levy the amount certified. The amount shall be placed in the public education and recreation levy fund of the district and shall be used only for the purposes specified in this chapter.

Sec. 116. Section 331.422, unnumbered paragraph 1, Code 2023, is amended to read as follows:

Subject to this section and sections 331.423 through 331.426 or as otherwise provided by state law, the board of each county shall certify property taxes annually at its ~~March~~ April session to be levied for county purposes as follows:

Sec. 117. Section 331.434, unnumbered paragraph 1, Code 2023, is amended to read as follows:

Annually, the board of each county, subject to section 331.403, subsection 4, sections 331.423 through 331.426, ~~section 331.433A,~~ the applicable portions of chapter 24, and other applicable state law, shall prepare and adopt a budget, certify taxes, and provide appropriations as follows:

Sec. 118. Section 331.434, subsection 3, Code 2023, is amended to read as follows:

3. Following, and not until, ~~adoption of the resolution under section 331.433A,~~ the requirements of section 24.2A are completed, the board shall set a time and place for a public hearing on the budget before the final certification date and shall publish notice of the hearing not less than ten nor more than twenty days prior to the hearing in the county newspapers selected under chapter 349. A summary of the proposed budget and a description of the procedure for protesting the county budget under section 331.436, in the form prescribed by the director of the department of management, shall be included in the notice. Proof of publication of the notice under this subsection 3 ~~and a copy of the resolution adopted under section 331.433A~~ shall be filed with and preserved by the county

auditor. A levy is not valid unless and until the notice is published and ~~the notice and resolution adopted under section 331.433A are filed~~ individual statements under section 24.2A are mailed. The department of management shall prescribe the form for the public hearing notice for use by counties.

Sec. 119. Section 331.434, subsection 5, paragraph a, Code 2023, is amended to read as follows:

a. After the hearing, the board shall adopt by resolution a budget and certificate of taxes for the next fiscal year and shall direct the auditor to properly certify and file the budget and certificate of taxes as adopted. The board shall not adopt a tax in excess of the estimate published ~~or the applicable amounts specified in the resolution adopted under section 331.433A~~, except a tax which is approved by a vote of the people, and a greater tax than that adopted shall not be levied or collected. A county budget and certificate of taxes adopted for the following fiscal year becomes effective on the first day of that year.

Sec. 120. Section 331.434, subsection 7, Code 2023, is amended to read as follows:

7. Taxes levied by a county whose budget is certified after ~~March 31~~ April 30 shall be limited to the prior year's budget amount. However, this penalty may be waived by the director of the department of management if the county demonstrates that the ~~March 31~~ deadline was missed because of circumstances beyond the control of the county.

Sec. 121. Section 331.435, subsection 2, Code 2023, is amended to read as follows:

2. The board shall prepare and adopt a budget amendment in the same manner as the original budget as provided in section 331.434, but excluding the requirements for ~~adoption of the resolution under section 331.433A~~ mailing individual statements under section 24.2A, and the amendment is subject to protest as provided in section 331.436, except that the director of the department of management may by rule provide that amendments

of certain types or up to certain amounts may be made without public hearing and without being subject to protest. A county budget for the ensuing fiscal year shall be amended by May 31 to allow time for a protest hearing to be held and a decision rendered before June 30. An amendment of a budget after May 31 which is properly appealed but without adequate time for hearing and decision before June 30 is void.

Sec. 122. Section 331.436, Code 2023, is amended to read as follows:

331.436 Protest.

Protests to the adopted budget must be made in accordance with sections 24.27 through 24.32 as if the county were the municipality under those sections except that the protest must be filed no later than ~~April~~ May 10 and the number of people necessary to file a protest under this section shall not be less than one hundred.

Sec. 123. Section 384.2, subsection 1, Code 2023, is amended to read as follows:

1. Except as otherwise provided for special charter cities, a city's fiscal year shall be as provided in section 24.2, subsection 3. All city property taxes must be certified by a city to the county auditor on or before ~~March 31~~ April 30 of each year, unless otherwise provided by state law. However, municipal utilities, if not supported by taxation or the proceeds of outstanding indebtedness payable from taxes may, with the council's consent, choose to operate on a fiscal year which is the calendar year. The receipt by the utility of payments from other governmental funds for public fire protection, street lighting, or other public use of the utility's services shall not be deemed support by taxation. After notice and hearing in the same manner as required for the city's regular budget under section 384.16, the utility budget must be approved by resolution of the council not later than twenty days prior to the beginning of the calendar year for which the budget applies.

Sec. 124. Section 384.16, unnumbered paragraph 1, Code 2023, is amended to read as follows:

Annually, a city that has satisfied the requirements of ~~section 384.15A and~~ section 384.22, subsection 3, and the applicable portions of chapter 24, shall prepare and adopt a budget, and shall certify taxes as follows:

Sec. 125. Section 384.16, subsections 3, 5, and 6, Code 2023, are amended to read as follows:

3. Following, and not until, ~~adoption of the resolution under section 384.15A,~~ requirements of section 24.2A are completed, the council shall set a time and place for public hearing on the budget before the final certification date and shall publish notice of the hearing not less than ten nor more than twenty days before the hearing in a newspaper published at least once weekly and having general circulation in the city. However, if the city has a population of two hundred or less, publication may be made by posting in three public places in the city. A summary of the proposed budget and a description of the procedure for protesting the city budget under section 384.19, in the form prescribed by the director of the department of management, shall be included in the notice. Proof of publication of the notice under this subsection 3 ~~and a copy of the resolution adopted under section 384.15A~~ must be filed with the county auditor. The department of management shall prescribe the form for the public hearing notice for use by cities.

5. After the hearing, the council shall adopt by resolution a budget for at least the next fiscal year, and the clerk shall certify the necessary tax levy for the next fiscal year to the county auditor and the county board of supervisors. The tax levy certified may be less than but not more than the amount estimated in the proposed budget submitted at the final hearing ~~or the applicable amount specified in the resolution adopted under section 384.15A~~, unless an additional tax levy is approved at a city election. Two copies each of

the detailed budget as adopted and of the tax certificate must be transmitted to the county auditor, who shall complete the certificates and transmit a copy of each to the department of management.

6. Taxes levied by a city whose budget is certified after ~~March 31~~ April 30 shall be limited to the prior year's budget amount. However, this penalty may be waived by the director of the department of management if the city demonstrates that the ~~March 31~~ deadline was missed because of circumstances beyond the control of the city.

Sec. 126. Section 384.17, Code 2023, is amended to read as follows:

384.17 Levy by county.

At the time required by law, the county board of supervisors shall levy the taxes necessary for each city fund for the following fiscal year. The levy must be as shown in the adopted city budget and as certified by the clerk, subject to any changes made after a protest hearing, and any additional tax rates approved at a city election. A city levy is not valid until proof of publication or posting of notice of a budget hearing under section 384.16, subsection 3, ~~and the notice and resolution adopted under section 384.15A are~~ is filed with the county auditor and individual statements are mailed under section 24.2A.

Sec. 127. Section 384.18, subsection 2, Code 2023, is amended to read as follows:

2. A budget amendment must be prepared and adopted in the same manner as the original budget, as provided in section 384.16, excluding the requirement for the mailing of individual statements under section 24.2A, and is subject to protest as provided in section 384.19, except that the committee may by rule provide that amendments of certain types or up to certain amounts may be made without public hearing and without being subject to protest. A city budget shall be amended by May 31 of the current fiscal year to allow time for a protest

hearing to be held and a decision rendered before June 30. The amendment of a budget after May 31, which is properly appealed but without adequate time for hearing and decision before June 30 is void.

Sec. 128. REPEAL. Sections 331.433A and 384.15A, Code 2023, are repealed.

Sec. 129. IMPLEMENTATION. Section 25B.2, subsection 3, shall not apply to this division of this Act.

Sec. 130. APPLICABILITY. This division of this Act applies to school district, county, and city budgets for fiscal years beginning on or after July 1, 2024.

DIVISION XIV

DRIVER'S LICENSES AND NONOPERATOR'S IDENTIFICATION CARDS

Sec. 131. Section 321M.9, subsection 1, paragraph a, Code 2023, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (4) The ten-dollar convenience fee collected pursuant to subsection 1A.

Sec. 132. Section 321M.9, Code 2023, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. *Convenience fee.* A county authorized to issue driver's licenses under this chapter may charge, in addition to any other fee imposed by law, a convenience fee for the issuance or renewal of a driver's license or nonoperator's identification card to a person who is not a resident of the county, unless that person pays property tax to the county and provides proof of payment such as a receipt as provided in section 445.5, subsection 6, or another form of proof as determined by the county. The convenience fee shall be ten dollars.

DIVISION XV

WRITING FEES

Sec. 133. Section 321G.27, subsection 1, paragraphs a, b, and c, Code 2023, are amended by striking the paragraphs.

Sec. 134. Section 321G.27, subsection 1, Code 2023, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0d.* The county recorder shall collect a writing fee of two dollars for each privilege under this chapter.

Sec. 135. Section 321G.29, subsection 3, Code 2023, is amended to read as follows:

3. An owner of a snowmobile shall apply to the county recorder for issuance of a certificate of title within thirty days after acquisition. The application shall be on forms the department prescribes and accompanied by the required fee specified in section 321G.30 and the writing fee specified in section 321G.27. The application shall include a certification signed in writing containing substantially the representation that statements made are true and correct to the best of the applicant's knowledge, information, and belief, under penalty of perjury. The application shall contain the date of sale and gross price of the snowmobile or the fair market value if no sale immediately preceded the transfer and any additional information the department requires. If the application is made for a snowmobile last previously registered or titled in another state or foreign country, the application shall contain this information and any other information the department requires.

Sec. 136. Section 321G.31, Code 2023, is amended to read as follows:

321G.31 Transfer or repossession by operation of law.

1. If ownership of a snowmobile is transferred by operation of law, such as by inheritance, order in bankruptcy, insolvency, replevin, or execution sale, the transferee, within thirty days after acquiring the right to possession of the snowmobile, shall mail or deliver to the county recorder of the transferee's county of residence satisfactory proof of ownership as the county recorder requires, together with an application for a new certificate of title, and the required fee, plus the writing fee specified in section 321G.27. However, if the transferee is the surviving spouse of the

deceased owner, the county recorder shall waive the required ~~fee~~ fees.

2. If a lienholder repossesses a snowmobile by operation of law and holds it for resale, the lienholder shall secure a new certificate of title and shall pay the required fee, plus the writing fee specified in section 321G.27.

Sec. 137. Section 321G.32, subsection 1, Code 2023, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* The application shall be accompanied by the writing fee specified in section 321G.27.

Sec. 138. Section 321I.29, subsection 1, paragraphs a, b, and c, Code 2023, are amended by striking the paragraphs.

Sec. 139. Section 321I.29, subsection 1, Code 2023, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0d.* The county recorder shall collect a writing fee of two dollars for each privilege under this chapter.

Sec. 140. Section 321I.31, subsection 3, Code 2023, is amended to read as follows:

3. An owner of an all-terrain vehicle shall apply to the county recorder for issuance of a certificate of title within thirty days after acquisition. The application shall be on forms the department prescribes and accompanied by the required fee specified in section 321I.32 and the writing fee specified in section 321I.29. The application shall include a certification signed in writing containing substantially the representation that statements made are true and correct to the best of the applicant's knowledge, information, and belief, under penalty of perjury. The application shall contain the date of sale and gross price of the all-terrain vehicle or the fair market value if no sale immediately preceded the transfer and any additional information the department requires. If the application is made for an all-terrain vehicle last previously registered or titled in another state or foreign country, the application shall contain this information and any other

information the department requires.

Sec. 141. Section 321I.33, Code 2023, is amended to read as follows:

321I.33 Transfer or repossession by operation of law.

1. If ownership of an all-terrain vehicle is transferred by operation of law, such as by inheritance, order in bankruptcy, insolvency, replevin, or execution sale, the transferee, within thirty days after acquiring the right to possession of the all-terrain vehicle, shall mail or deliver to the county recorder of the transferee's county of residence satisfactory proof of ownership as the county recorder requires, together with an application for a new certificate of title, and the required fee, plus the writing fee specified in section 321I.29. However, if the transferee is the surviving spouse of the deceased owner, the county recorder shall waive the required ~~fee~~ fees.

2. If a lienholder repossesses an all-terrain vehicle by operation of law and holds it for resale, the lienholder shall secure a new certificate of title and shall pay the required fee, plus the writing fee specified in section 321I.29.

Sec. 142. Section 321I.34, subsection 1, Code 2023, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* The application shall be accompanied by the writing fee specified in section 321I.29.

Sec. 143. Section 462A.53, Code 2023, is amended to read as follows:

462A.53 Amount of writing fees.

A writing fee of ~~one dollar and twenty-five cents~~ two dollars for each privilege shall be collected by the county recorder.

Sec. 144. Section 462A.77, subsection 4, Code 2023, is amended to read as follows:

4. Every owner of a vessel subject to titling under this chapter shall apply to the county recorder for issuance of a certificate of title for the vessel within thirty days after acquisition. The application shall be on forms the department

prescribes, and accompanied by the required fee specified in section 462A.78 and the writing fee specified in section 462A.53. The application shall be signed and shall include a certification signed in writing containing substantially the representation that statements made are true and correct to the best of the applicant's knowledge, information, and belief, under penalty of perjury. The application shall contain the date of sale and gross price of the vessel or the fair market value if no sale immediately preceded the transfer, and any additional information the department requires. If the application is made for a vessel last previously registered or titled in another state or foreign country, it shall contain this information and any other information the department requires.

Sec. 145. Section 462A.82, subsections 1 and 2, Code 2023, are amended to read as follows:

1. If ownership of a vessel is transferred by operation of law, such as by inheritance, order in bankruptcy, insolvency, replevin, execution sale, or in compliance with section 578A.7, the transferee, within thirty days after acquiring the right to possession of the vessel by operation of law, shall mail or deliver to the county recorder satisfactory proof of ownership as the county recorder requires, together with an application for a new certificate of title, and the required fee, plus the writing fee specified in section 462A.53. However, if the transferee is the surviving spouse of the deceased owner, the county recorder shall waive the required ~~fee~~ fees. A title tax is not required on these transactions.

2. If a lienholder repossesses a vessel by operation of law and holds it for resale, the lienholder shall secure a new certificate of title and shall pay the required fee, plus the writing fee specified in section 462A.53.

Sec. 146. Section 462A.84, subsection 1, Code 2023, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* The application shall be accompanied by

the writing fee specified in section 462A.53.