

## CHAPTER 109

## AGRICULTURAL LAND CREDIT FUND

S. F. 227

AN ACT to create an agricultural land credit fund; to provide for the appropriation of funds to apply as a credit on taxes on agricultural lands; prescribing the procedure whereby said funds are allocated by the state treasurer to the county treasurers of the several counties; and providing a method of allotting tax credits on agricultural lands in special charter cities; to prescribe the procedure for the making of such credit; to define agricultural lands and providing for the making of claims for credit as provided in this act; and to provide a method of appeal from the act of the boards of supervisors of the several counties relating to the said agricultural land credit.

WHEREAS, in the past few years the taxes upon property within independent school districts has been increased, and

WHEREAS, the amount of taxes levied upon agricultural land lying within independent school districts in the state is often in excess of the income of such agricultural land, and

WHEREAS, the school tax levied upon agricultural land lying in independent school districts is greatly in excess and is disproportionate to the school tax upon similar land outside of independent school districts, and

WHEREAS, the exorbitant school taxes levied upon agricultural land lying within independent school districts is confiscatory and often results in tax sales of such agricultural lands thereby dispossessing the tenant owner thereof, and

WHEREAS, the state of Iowa is vitally interested in equalizing the burden of taxation to be born by agricultural real estate, and

WHEREAS, the state of Iowa is concerned in the matter of education and the taxes levied for such purposes,

NOW THEREFORE, this Forty-eighth General Assembly of the state of Iowa does hereby declare that appropriating money for emergency relief of the owners of agricultural lands lying within independent school districts is the expenditure of public funds for a public purpose; therefore

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. There is hereby set aside for the year 1940 an \* annual-  
2 ly thereafter from the general fund of this state an amount of five  
3 hundred thousand dollars (\$500,000.00) or so much thereof as may  
4 be necessary to be known as the agricultural land credit fund to be  
5 used in the payment of agricultural land credits as herein specified.

1 SEC. 2. The agricultural land credit fund shall be apportioned each  
2 year as hereinafter provided so as to give a credit against the tax in  
3 each eligible tract of agricultural land within independent school dis-  
4 tricts in the state, as defined herein; the amount of such credit to be  
5 the amount the tax levied for the general school fund exceeds the  
6 amount of tax which would be levied on such property were the school  
7 tax levy for the general school fund fifteen (15) mills on all such agri-  
8 cultural land over ten (10) acres belonging to one person and lying  
9 within the independent school districts exclusive of consolidated dis-  
10 tricts.

\*Note: In accordance with enrolled bill.

11 The said fund shall be held by the treasurer of state and shall be  
12 designated by him as the agricultural land credit fund and shall be dis-  
13 tributed by the treasurer of the state on warrants drawn by the comp-  
14 troller on September 1 of each year, beginning the year 1940 and there-  
15 after, and payable to the county treasurers of the several counties of  
16 the state in the amounts certified by them as provided in section six  
17 (6) of this act.

1 SEC. 3. The county auditor shall enter the agricultural land credit  
2 against the tax levied upon each eligible tract of agricultural land in  
3 each county and payable during the ensuing years, designating on  
4 the tax lists such credit as being from the agricultural land credits  
5 funds, and credit shall then be given to the several taxing districts in  
6 which such eligible agricultural lands are located in an amount equal  
7 to the credit allowed on the taxes of such agricultural lands.

8 The amount of said credits shall be apportioned by each county treas-  
9 urer to the several taxing districts as provided by law, in the same  
10 manner as though the amount of the credit had been paid by the own-  
11 ers of said agricultural land. Each county treasurer shall show on  
12 each tax receipt the amount of credit received from the agricultural  
13 land credit fund.

1 SEC. 4. In any county in which is located a special charter city,  
2 which levies and collects its own taxes separately from the county, all  
3 millage credits and the amount in dollars thereof on eligible agricul-  
4 tural land situated in said city in excess of the consolidated state and  
5 county levy by the state and said county for the taxing district in  
6 which said city is located, but not in excess of the aggregate levy by  
7 said city, shall be certified by the county auditor or county treasurer  
8 to the treasurer of the said city who shall in turn credit on said city  
9 tax lists against the taxes levied by said city on each eligible agricul-  
10 tural land in said city, said excess millage credits so certified to him  
11 in the same manner as herein required to be done by the county auditor  
12 on the county tax lists. The county treasurer shall pay to the city  
13 treasurer out of the funds apportioned to said county from the agricul-  
14 tural land credit fund, the amount of said funds so apportioned in ex-  
15 cess of the state and county consolidated levy, which shall be applied  
16 upon the taxes on eligible agricultural land in said city as herein pro-  
17 vided. The intention and purpose of this provision shall be to allot to  
18 eligible agricultural land located in such city the same proportionate  
19 credit received by eligible agricultural land in other cities and towns.

1 Sec. 5. Any person who desires to avail himself of the benefits pro-  
2 vided hereunder shall each year commencing January 1, 1940, deliver  
3 to the assessor, on blank forms to be furnished by the assessor, a veri-  
4 fied statement and designation of agricultural land credit as claimed  
5 by him, and the assessor shall return said statement and designation  
6 with the assessment roll to the county auditor with his recommenda-  
7 tion for allowance or disallowance endorsed thereon; provided, that if  
8 the said verified statement and designation of agricultural land credit  
9 is not delivered to the assessor, the person may on or before June 1st  
10 of any year file with the county auditor such verified statement and  
11 designation, together with the supporting affidavits of at least two dis-  
12 interested freeholders of the taxing district in which the agricultural  
13 land is located.

14 The county board of supervisors in each county shall forthwith ex-  
15 amine all such claims, whether delivered to the assessor or filed with  
16 the county auditor as herein provided, and shall either allow or dis-  
17 allow said claims, and in the event of disallowance shall notify the  
18 claimant of such action by mailing a written notice thereof addressed  
19 to the claimant at his last known address.

1 SEC. 6. All claims which have been allowed by the board of super-  
2 visors shall be certified on or before July 1 in each year by the county  
3 auditor to the county treasurer, which certificate shall list the name of  
4 each owner, legal description of the claimed agricultural land and the  
5 assessed value thereof. The county treasurer shall forthwith certify  
6 to the state treasurer the total valuation of all such agricultural lands  
7 upon which a credit is claimed.

1 SEC. 7. If any person fails to make claim for the credits provided  
2 for under this act as herein required, he shall be deemed to have  
3 waived the agricultural land credit for the year in which he failed to  
4 make claim.

1 SEC. 8. Any person whose claim is denied under the provisions of  
2 this act may appeal from the action of the board of supervisors to the  
3 district court of the county in which said claimed agricultural land  
4 is situated by giving written notice of such appeal to the county audi-  
5 tor of said county within twenty days from the date of mailing of no-  
6 tice of such action by the board of supervisors.

1 SEC. 9. The agricultural land credit as provided in this act shall  
2 not be made to any taxpayer on any portion of his property upon which  
3 a homestead credit as provided by chapter one hundred ninety-five  
4 (195), Acts of the 47th General Assembly, has been allowed for the  
5 year in which the agricultural credit is claimed.

1 SEC. 10. "Agricultural lands" shall mean and include for the pur-  
2 poses of this act real estate over ten (10) acres lying within an inde-  
3 pendent school district which land is not platted into city or town lots  
4 and which is used exclusively for farm and agricultural purposes and  
5 is owned by an individual, person, firm, association, joint stock com-  
6 pany, syndicate, co-partnership, corporation, trustee, agency receiver,  
7 or respective legal representative, and the same shall mean and include  
8 all land over ten (10) acres lying within an independent school dis-  
9 trict owned by one entity, as aforesaid, irrespective of whether or not  
10 such land or parcels of land are contiguous.

1 SEC. 11. None of the provisions of this act shall be construed to  
2 apply in whole or in part to any agricultural land in consolidated dis-  
3 tricts.

Approved May 26, 1939.