

**CHAPTER 216**  
**RAILROAD PROPERTY TAX SETTLEMENT**  
*S.F. 440*

**AN ACT** relating to the compromising and settling of certain property tax claims in Iowa against the Chicago, Milwaukee, St. Paul and Pacific Railroad Company and the Chicago, Rock Island and Pacific Railroad Company as approved by the United States district court for the northern district of Illinois, eastern division.

**WHEREAS**, the Chicago, Milwaukee, St. Paul and Pacific railroad company and the Chicago, Rock Island and Pacific railroad company have been under the jurisdiction of the United States district court for the northern district of Illinois, eastern division, in bankruptcy proceedings and have not, pursuant to order of that court, paid the majority of personal and real property taxes and special assessments since they came under the protection of the federal court; and

**WHEREAS**, the trustees of the Chicago, Milwaukee, St. Paul and Pacific railroad company and the Chicago, Rock Island and Pacific railroad company have now offered to pay these property taxes and special assessments, past due, in the amount of ninety percent of all taxes and special assessments agreed to be due and owing if any claimed interest and penalties thereon are waived; and

**WHEREAS**, since doubts have arisen as to the legal authority of the Iowa counties to compromise these taxes and special assessments, this compromise and settlement should now be legalized and this matter put to rest; **NOW THEREFORE**,

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

Section 1. Any affected Iowa county may enter into an agreement under chapter 28E with the transportation regulation authority to compromise and settle past due Iowa real and personal property taxes due through the first half payment for the fiscal year 1982-1983 from the Chicago, Milwaukee, St. Paul and Pacific railroad company and the Chicago, Rock Island and Pacific railroad company and their trustees in bankruptcy for ninety percent of the agreed amounts due and to waive any claimed interest and penalties. Any affected county may enter into and join in an agreement to compromise and settle past due special assessments owed by these railroad companies for ninety percent of the agreed amounts due and to waive any interest and penalties. In addition, each county may agree to the amount of taxes and special assessments due and provide for the procedures to consummate these settlements on their behalf and on behalf of all local taxing districts in the county. All actions and agreements of Iowa counties in respect to these matters are legalized.

Sec. 2. Any Iowa counties which claim an interest in these personal and real estate taxes may join together and appoint a common agent or nominee to act upon their behalf in accomplishing the purposes of this Act. The actions of this agent or nominee shall be final and binding upon those counties and the local taxing districts within those counties that so join together. A cause of action shall not accrue to any person by reason of the compromise and settlement agreements authorized in this Act. State and county officials, employees, attorneys, agents, and nominees are immune from liability by reason of their participation in these compromise and settlement agreements.

Sec. 3. This Act does not affect any of the legal rights, entitlements, or interests of the state of Iowa, the transportation regulation authority of the state department of transportation on behalf of the Iowa railway finance authority, any county, and any affected local taxing district within any county to the proceeds of these settlements and any interest earned on the money received pending the resolution in the courts of what governmental entity shall receive these moneys. Any moneys received for special assessments within the counties shall be paid to the county entitled to the same for a pro rata distribution to the taxing district or authority entitled to the same by that county.

Sec. 4. This Act applies only to the tax offer of the Chicago, Rock Island and Pacific Railroad Company approved by the United States district court on November 17, 1982 and to the deferred tax program of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company approved by the United States district court on February 7, 1983.

Sec. 5. This Act, being deemed of immediate importance, takes effect from and after its publication in the Muscatine Journal, a newspaper published in Muscatine, Iowa, and in The New Iowa Bystander, a newspaper published in West Des Moines, Iowa.

Approved March 29, 1983

I hereby certify that the foregoing Act, Senate File 440 was published in The New Iowa Bystander, West Des Moines, Iowa on March 31, 1983 and in the Muscatine Journal, Muscatine, Iowa on April 6, 1983.

MARY JANE ODELL, *Secretary of State*