

FILED FEB 9 2005

SENATE FILE  
BY KIBBIE

135

EDUCATION

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the imposition of the local option sales tax  
2 for school infrastructure purposes and including an effective  
3 date.

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

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SC 135  
EDUCATION

1 Section 1. Section 423E.2, subsection 1, Code 2005, is  
2 amended to read as follows:

3 1. a. A Except as provided in paragraph "d", a local  
4 sales and services tax shall be imposed by a county only after  
5 an election at which a majority of those voting on the  
6 question favors imposition. The effective date shall be  
7 either January 1 or July 1 but not sooner than ninety days  
8 following the favorable election. A local sales and services  
9 tax approved by a majority vote shall apply to all  
10 incorporated and unincorporated areas of that county.

11 b. A local sales and services tax shall be repealed on  
12 either June 30 or December 31 but not sooner than ninety days  
13 following the favorable election, if one is held.

14 c. If a local sales and services tax has been imposed  
15 prior to April 1, 2000, and at the time of the election a date  
16 for repeal was specified on the ballot, the local sales and  
17 services tax may be repealed on that date, notwithstanding  
18 paragraph "b".

19 d. Any county that has not imposed a local sales and  
20 services tax pursuant to an election under this section prior  
21 to January 1, 2006, shall impose such tax without an election  
22 effective January 1, 2006, for a period of ten years.

23 Sec. 2. Section 423E.4, subsection 2, paragraph b,  
24 subparagraph (2), Code 2005, is amended to read as follows:

25 (2) A school district that is located in whole or in part  
26 in a county that voted on and approved on or after April 1,  
27 2003, the local sales and services tax for school  
28 infrastructure purposes or in a county that imposed the local  
29 sales and services tax for school infrastructure purposes  
30 pursuant to section 423E.2, subsection 1, paragraph "d", shall  
31 receive an amount equal to its pro rata share of the local  
32 sales and services tax receipts as provided in section 423E.3,  
33 subsection 5, paragraph "d", not to exceed its guaranteed  
34 school infrastructure amount. However, if the school  
35 district's pro rata share is less than its guaranteed school

1 infrastructure amount, the district shall receive an  
2 additional amount equal to its supplemental school  
3 infrastructure amount.

4 Sec. 3. EFFECTIVE DATE. This Act, being deemed of  
5 immediate importance, takes effect upon enactment.

6 EXPLANATION

7 This bill requires counties that have not imposed local  
8 option sales and services taxes for school infrastructure  
9 purposes pursuant to an election by January 1, 2006, to do so,  
10 without an election, effective January 1, 2006, for a period  
11 of 10 years. The school districts located in these counties  
12 will receive revenues according to the formula used for those  
13 districts located in counties that had approved the tax on or  
14 after April 1, 2003.

15 The bill takes effect upon enactment.

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