

Reported Recommending
Ind. Postponed
Passed House
Failed to Pass House
Passed Senate
Failed to Pass Senate

House File 333

February 21, 1947.
Tax Revision.

By BROWN of Mahaska, BOCKWOLDT, GOOD,
LONG, HICKLIN and Ainsworth.

A BILL FOR

An Act to provide for the assessment and taxation of transmission lines and electric lines owned by co-operative associations for less than 60% until January 1, 1949, for the purpose of encouraging the development of rural electric lines to serve agricultural areas.

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

1 Section 1. Section four hundred thirty-seven point one
2 (437.1), Code 1946, is hereby amended by striking in lines five
3 (5), six (6) and seven (7) the words "(except co-operative
4 corporations or associations which are not organized or operated
5 for profit)".

1 Sec. 2. Section four hundred thirty-seven point fourteen
2 (437.14), Code 1946, is hereby repealed.

1 Sec. 3. Section four hundred twenty-eight point twenty-eight
2 (428.28), Code 1946, is hereby amended by adding the following:
3 "All co-operative corporations or associations, whether organized
4 or operated for profit or not, shall make the report provided
5 in this section and their property shall be subject to taxation
6 in the same manner as other similar property".

1 Sec. 4. There is hereby imposed upon all property affected
2 by this Act, all regular property taxes levied as provided by

3 law for the taxing districts in which said property is located.
4 Such taxes shall be imposed and collected in the same manner
5 as other property taxes in such taxing districts, and shall be
6 apportioned to the taxing districts affected as are other property
7 taxes, for the use and benefit of such taxing districts.

1 Sec. 5. The tax herein imposed shall be effective for
2 assessments made in 1947, which shall be fixed upon the basis
3 of valuations as of January 1, 1947, and for subsequent years
4 as provided by law.

1 Sec. 6. It is hereby provided that for the taxable year
2 of 1947 the assessment as made by the state tax commission shall
3 be at 20% of the actual value of all transmission lines and
4 electric lines of co-operative associations and co-operatives
5 operating utilities financed by the rural electrification
6 administration and the valuation of other property of such
7 co-operatives shall be assessed at 60% of its actual value.
8 It is hereby provided that for the taxable year of 1948 the
9 assessment as made by the state tax commission shall be at
10 40% of the actual value of all transmission lines and electric
11 lines of co-operative associations and co-operatives operating
12 utilities financed by the rural electrification administration
13 and the valuation of other property of such co-operatives
14 shall be assessed at 60% of its actual value. For each taxable
15 year thereafter all property of said co-operatives subject to
16 the provisions of this act shall be assessed at 60% of its
17 actual value.

1 Sec: 7. This act being deemed of immediate importance,
2 shall be in full force and effect from and after its passage
3 and publication in the Oskaloosa Tribune, a newspaper published
4 at Oskaloosa, Iowa, and in the Ogden Reporter, a newspaper
5 published at Ogden, Iowa.

EXPLANATION OF H. F. 333

This bill repeals Section four hundred thirty-seven point fourteen (437.14) of 1946 Code of Iowa. The State Tax Commission advised that it is impossible to tax said Section as it is unworkable. The tax in this bill is on a graduated scale making it 20% of actual value for the year 1947; 40% for 1948 and thereafter at 60% as other property is taxed. R. E. A. has been in effect since 1936 and the co-operatives organized under it pay no taxes on their transmission lines, which were financed by grants from the federal treasury. The rates charged for electricity to the consumer should be high enough so that this fast growing industry, which enjoys all the benefits of other corporations, should pay its share of taxes.