

January 22, 1951.  
Schools, Libraries, State  
Educational Institutions.

**House File 132**  
By MOORE of Butler, OLSON.

Passed House, Date .....  
Vote: Ayes..... Nays.....  
Passed Senate, Date .....  
Vote: Ayes..... Nays.....  
Approved .....

## A BILL FOR

An Act to amend section two hundred ninety-eight point one (298.1), section two hundred ninety-eight point seven (298.7) and section two hundred ninety-one point nine (291.9), Code 1950, relating to the apportioning and levying of school taxes in districts containing a city or town and agricultural land.

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

1 Section 1. Section two hundred ninety-eight point one  
2 (298.1), Code 1950, is hereby amended by adding thereto the  
3 following paragraph:

4 "In any school district in which is located an incorporated  
5 city, town or village and in which district there is included  
6 agricultural land as defined in section four hundred twenty-six  
7 point two (426.2), the board of such school corporation shall,  
8 when making its estimate of the amount required for the general  
9 fund, determine the number of persons of school age within the  
10 district and also the number of persons of school age residing  
11 on agricultural land as above defined. Said numbers shall both  
12 be certified to the board of supervisors by the secretary of the  
13 secretary of the school board."

1     Sec. 2. Section two hundred ninety-eight point eight  
2     (298.8), Code 1950, is amended by adding thereto the following:  
3     “And provided, further, that in making such levies, the total  
4     amount levied upon or against agricultural land as defined in  
5     section four hundred twenty-six point two (426.2), shall not  
6     exceed the cost per child as estimated under section two hundred  
7     ninety-eight point one (298.1), and as increased, if any, under  
8     section two hundred ninety-eight point two (298.2), times the  
9     number of pupils of school age resident upon such agricultural  
10    land of said district, as certified by the secretary of the  
11    school board. And providing, further, that the millage levy on  
12    such agricultural land for the general school fund shall in no  
13    event be less than one-third ( $1/3$ ) of that upon other taxable  
14    property within the district.”

1     Sec. 3. Section two hundred ninety-one point nine (291.9),  
2     Code 1950, is amended by striking the period (.) at the end of  
3     subsection one (1) and adding thereto the following:  
4     “and as to whether or not such child resides on agricultural  
5     land as defined by section four hundred twenty-six point two (426.2).”

#### EXPLANATION OF H. F. 132

This bill is designed to equalize the cost of elementary and secondary schools as between agricultural land and other taxable property by providing a differential in the rate of millage based upon the proportionate number of children of school age resident on or in each of the two classes of property.

That there is an inequality, and its nature can be illustrated as follows: Suppose the entire State of Iowa to be one large school district supported by a state levy on the taxable property of the state. And assume that the total cost is \$84,000,000 annually. This would require a state levy of about 28 mills, since one mill on the state-wide levy would be about \$3,000,000.

Nearly every city in the state would gain by this plan. Their school levies are, in most instances, far above 28 mills. If such a plan were in effect it would mean that taxpayers outside of the cities and towns would pay a large part of the cost of educating the children in the cities. The farmers would pay about two-thirds of the cost and receive one-third of the benefit. Such a plan would not be tolerated.

BUT that is the exact situation now, only on a smaller scale, in nearly every school district containing farm land and a city or town. The burden of the school cost is not fairly distributed.

The law providing for state aid to farm land where the millage is above 15 is an attempt to solve the problem. The last pronouncement of the Supreme Court is that it is constitutional. But the Court did not hold that the law was the only or right way to solve the problem.

No farmer does, or should, object to paying his fair share of school costs—state aid or no. It is not 15, 30, 45 or any other number of mills that is hurting him. It is the unjust portion of the tax he is paying whether the millage be 5 or 100.

The farm land credit is of no great benefit *unless an adqeuat appropriation is made by each General Assembly*. SO FAR THIS HAS NOT BEEN DONE. Then, too, the limit of school taxes on farm land should not be expressed in mills but in ratios.

A farm of 200 acres now assessed at \$12,000 would pay a school tax of \$360 if the millage is 30. In that case the owner is entitled to a credit from state aid of \$180. Now if because of the operation of the county assessor law, or otherwise, the valuations on all taxable property are increased proportionately and this farm is assessed at \$24,000, it would automatically reduce the millage to 15. The farmer would still pay \$360 in school taxes BUT GET NO STATE AID.

This bill does not seek to repeal the farm credit bill. It supplements it. Its application will make unnecessary extremely large appropriations for the land credit bill.

The provision in this Act that "in no event (should the millage on farms) be less than one-third of that on other taxable property" is a salutary one and will remove the objection, often made, that to escape school taxes landlords would lease only to tenants without children. It might be added that *at present* some of the best farm land in the state is taxed at a ridiculously low (*comparatively speaking*) school millage because there are no schools and few children in the districts.

The passage of this Act will encourage consolidation of districts. Such movements have been stymied, and *rightly so*, because of the unjust burden the farms would be subject to if they were tied up with cities and towns. Their owners would rather pay tuition and be outside of the city district.

#### SAMPLE BUDGET

\$45,000 ÷ 300 pupils in districts = \$150.00 per pupil cost.

180 pupils within town corporation × \$150.00 = \$27,000 share town should pay.

120 pupils living on agricultural land × \$150.00 = \$18,000 share agricultural land should pay.