

FEB 28 2001  
WAYS AND MEANS

HOUSE FILE 440  
BY KREIMAN

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

A BILL FOR

1 An Act relating to the property tax assessment limitation for  
2 agricultural property.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 440

1 Section 1. Section 441.21, subsection 4, Code 2001, is  
2 amended to read as follows:

3 4. For valuations established as of January 1, 1979, the  
4 percentage of actual value at which agricultural and  
5 residential property shall be assessed shall be the quotient  
6 of the dividend and divisor as defined in this section. The  
7 dividend for each class of property shall be the dividend as  
8 determined for each class of property for valuations  
9 established as of January 1, 1978, adjusted by the product  
10 obtained by multiplying the percentage determined for that  
11 year by the amount of any additions or deletions to actual  
12 value, excluding those resulting from the revaluation of  
13 existing properties, as reported by the assessors on the  
14 abstracts of assessment for 1978, plus six percent of the  
15 amount so determined. However, if the difference between the  
16 dividend so determined for either class of property and the  
17 dividend for that class of property for valuations established  
18 as of January 1, 1978, adjusted by the product obtained by  
19 multiplying the percentage determined for that year by the  
20 amount of any additions or deletions to actual value,  
21 excluding those resulting from the revaluation of existing  
22 properties, as reported by the assessors on the abstracts of  
23 assessment for 1978, is less than six percent, the 1979  
24 dividend for the other class of property shall be the dividend  
25 as determined for that class of property for valuations  
26 established as of January 1, 1978, adjusted by the product  
27 obtained by multiplying the percentage determined for that  
28 year by the amount of any additions or deletions to actual  
29 value, excluding those resulting from the revaluation of  
30 existing properties, as reported by the assessors on the  
31 abstracts of assessment for 1978, plus a percentage of the  
32 amount so determined which is equal to the percentage by which  
33 the dividend as determined for the other class of property for  
34 valuations established as of January 1, 1978, adjusted by the  
35 product obtained by multiplying the percentage determined for

1 that year by the amount of any additions or deletions to  
2 actual value, excluding those resulting from the revaluation  
3 of existing properties, as reported by the assessors on the  
4 abstracts of assessment for 1978, is increased in arriving at  
5 the 1979 dividend for the other class of property. The  
6 divisor for each class of property shall be the total actual  
7 value of all such property in the state in the preceding year,  
8 as reported by the assessors on the abstracts of assessment  
9 submitted for 1978, plus the amount of value added to said  
10 total actual value by the revaluation of existing properties  
11 in 1979 as equalized by the director of revenue pursuant to  
12 section 441.49. The director shall utilize information  
13 reported on abstracts of assessment submitted pursuant to  
14 section 441.45 in determining such percentage. For valuations  
15 established as of January 1, 1980, and each year thereafter,  
16 the percentage of actual value as equalized by the director of  
17 revenue and finance as provided in section 441.49 at which  
18 agricultural and residential property shall be assessed shall  
19 be calculated in accordance with the methods provided herein  
20 including the limitation of increases in agricultural and  
21 residential assessed values to the percentage increase of the  
22 other class of property if the other class increases less than  
23 the allowable limit adjusted to include the applicable and  
24 current values as equalized by the director of revenue and  
25 finance, except that any references to six percent in this  
26 subsection shall be four percent. For agricultural property  
27 valuations established as of January 1, 2002, and subsequent  
28 years, in addition to the four percent limitation of increases  
29 statewide, increases in agricultural property for any one  
30 county shall not exceed ten percent from the previous  
31 assessment year.

32 EXPLANATION

33 This bill provides that, in addition to the statewide  
34 assessment limitation of 4 percent on agricultural property  
35 values, agricultural property on a countywide basis shall not

1 be increased by more than 10 percent over the previous  
2 assessment year.

3 The bill applies to the assessment year beginning January  
4 1, 2002, and all subsequent assessment years.

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