

Shey, Ch.  
Boal  
Shultz

HSB 257

WAYS AND MEANS

Succeeded By  
SF. 0744

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
WAYS AND MEANS BILL BY  
CHAIRPERSON VAN FOSSEN)

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

A BILL FOR

1 An Act relating to the exemption from property taxation of  
2 facilities used by private educational institutions.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 261A.37, Code 2001, is amended to read  
2 as follows:

3 261A.37 LOANS AUTHORIZED.

4 The authority may make loans to an institution for the cost  
5 of a project or in anticipation of the receipt of tuition by  
6 the institution in accordance with an agreement between the  
7 authority and the institution, except that a loan for the cost  
8 of a project shall not exceed the total cost of the project,  
9 as determined by the institution and approved by the authority  
10 and except that loans in anticipation of the receipt of  
11 tuition shall not exceed the anticipated amount of tuition to  
12 be received by the institution in the one-year period  
13 following the date of the loan. The authority may lease  
14 projects to institutions under the terms of lease agreements  
15 determined by the institution and the authority, except that  
16 the term of the lease shall not exceed the estimated useful  
17 economic life of the project. The authority may make loans to  
18 an entity other than an institution in accordance with an  
19 agreement between the authority and the entity for the cost of  
20 a project if the project is to be leased to an institution. A  
21 project which would be exempt from property taxation if it  
22 were owned by an institution shall not be subject to property  
23 taxation as a result of being financed pursuant to this  
24 section.

25 Sec. 2. IMPLEMENTATION OF PROPERTY TAX EXEMPTION. Section  
26 25B.7 does not apply to the property tax exemption provided in  
27 section 1 of this Act.

28 EXPLANATION

29 This bill provides that if a facility owned by a  
30 postsecondary private educational institution would be exempt  
31 from property taxation, then the same type of facility is also  
32 exempt if it is financed by such an institution as a result of  
33 loan moneys from the higher education loan authority, through  
34 the authority under a lease agreement, or through another  
35 entity under a lease agreement.

1 This property tax exemption is not subject to the state law  
2 that requires that the cost to local taxing districts of new  
3 exemptions be fully funded by the state.

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APR 27 2001  
WAYS & MEANS CALENDAR

HOUSE FILE 744  
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 257)

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

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HC 744

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