

FEB 19 2002
WAYS AND MEANS

HOUSE FILE 2435
BY FINCH

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

A BILL FOR

1 An Act relating to property taxes collected in a tax increment
2 financing district of an urban renewal area and including an
3 applicability date provision.

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

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HF 2435

1 Section 1. Section 403.19, subsection 1, Code Supplement
2 2001, is amended by adding the following new paragraph:

3 NEW PARAGRAPH. d. In addition to the amount in paragraph
4 "a", taxes produced by the rate at which the tax is levied
5 each year by and for each of the taxing districts upon the
6 amount of increase in assessed value from the previous year
7 equal to the average increase in assessed value in the
8 municipality for that class of property shall be allocated to
9 and when collected be paid into the fund for the respective
10 taxing district as taxes by and for the taxing district into
11 which all other property taxes are paid.

12 Sec. 2. APPLICABILITY. This Act applies to taxes due and
13 payable in the fiscal year beginning July 1, 2003.

14 EXPLANATION

15 This bill provides that taxing districts located in an
16 urban renewal area that is utilizing tax increment financing
17 shall receive the amount of property taxes collected from the
18 levy on the increase in value of property located in the tax
19 increment financing district that is equal to the average
20 increase in value of property in the municipality for that
21 class of property.

22 The bill applies to taxes due and payable in the fiscal
23 year beginning July 1, 2003.

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