

House File 664 - Introduced

HOUSE FILE 664

BY JACOBY

A BILL FOR

1 An Act relating to the taxation of commercial property and
2 including applicability provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 441.21, subsection 5, Code 2011, is
2 amended to read as follows:

3 5. a. For valuations established as of January 1, 1979,
4 commercial property and industrial property, excluding
5 properties referred to in section 427A.1, subsection 8, shall
6 be assessed as a percentage of the actual value of each class
7 of property. The percentage shall be determined for each
8 class of property by the director of revenue for the state in
9 accordance with the provisions of this section. For valuations
10 established as of January 1, 1979, the percentage shall be
11 the quotient of the dividend and divisor as defined in this
12 section. The dividend for each class of property shall be the
13 total actual valuation for each class of property established
14 for 1978, plus six percent of the amount so determined. The
15 divisor for each class of property shall be the valuation
16 for each class of property established for 1978, as reported
17 by the assessors on the abstracts of assessment for 1978,
18 plus the amount of value added to the total actual value by
19 the revaluation of existing properties in 1979 as equalized
20 by the director of revenue pursuant to section 441.49. For
21 valuations established as of January 1, 1979, property valued
22 by the department of revenue pursuant to chapters 428, 433,
23 437, and 438 shall be considered as one class of property and
24 shall be assessed as a percentage of its actual value. The
25 percentage shall be determined by the director of revenue in
26 accordance with the provisions of this section. For valuations
27 established as of January 1, 1979, the percentage shall be
28 the quotient of the dividend and divisor as defined in this
29 section. The dividend shall be the total actual valuation
30 established for 1978 by the department of revenue, plus ten
31 percent of the amount so determined. The divisor for property
32 valued by the department of revenue pursuant to chapters 428,
33 433, 437, and 438 shall be the valuation established for 1978,
34 plus the amount of value added to the total actual value by
35 the revaluation of the property by the department of revenue

1 as of January 1, 1979. For valuations established as of
2 January 1, 1980, commercial property and industrial property,
3 excluding properties referred to in section 427A.1, subsection
4 8, shall be assessed at a percentage of the actual value of
5 each class of property. The percentage shall be determined
6 for each class of property by the director of revenue for the
7 state in accordance with the provisions of this section. For
8 valuations established as of January 1, 1980, the percentage
9 shall be the quotient of the dividend and divisor as defined in
10 this section. The dividend for each class of property shall
11 be the dividend as determined for each class of property for
12 valuations established as of January 1, 1979, adjusted by the
13 product obtained by multiplying the percentage determined
14 for that year by the amount of any additions or deletions to
15 actual value, excluding those resulting from the revaluation
16 of existing properties, as reported by the assessors on the
17 abstracts of assessment for 1979, plus four percent of the
18 amount so determined. The divisor for each class of property
19 shall be the total actual value of all such property in 1979,
20 as equalized by the director of revenue pursuant to section
21 441.49, plus the amount of value added to the total actual
22 value by the revaluation of existing properties in 1980. The
23 director shall utilize information reported on the abstracts of
24 assessment submitted pursuant to section 441.45 in determining
25 such percentage. For valuations established as of January 1,
26 1980, property valued by the department of revenue pursuant
27 to chapters 428, 433, 437, and 438 shall be assessed at a
28 percentage of its actual value. The percentage shall be
29 determined by the director of revenue in accordance with the
30 provisions of this section. For valuations established as of
31 January 1, 1980, the percentage shall be the quotient of the
32 dividend and divisor as defined in this section. The dividend
33 shall be the total actual valuation established for 1979 by
34 the department of revenue, plus eight percent of the amount so
35 determined. The divisor for property valued by the department

1 of revenue pursuant to chapters 428, 433, 437, and 438 shall be
 2 the valuation established for 1979, plus the amount of value
 3 added to the total actual value by the revaluation of the
 4 property by the department of revenue as of January 1, 1980.
 5 For valuations established as of January 1, 1981, and each
 6 year thereafter, the percentage of actual value as equalized
 7 by the director of revenue as provided in section 441.49 at
 8 which commercial property and industrial property, excluding
 9 properties referred to in section 427A.1, subsection 8, shall
 10 be assessed shall be calculated in accordance with the methods
 11 provided herein, except that any references to six percent
 12 in this subsection shall be four percent. For valuations
 13 established as of January 1, 1981, and each year thereafter,
 14 the percentage of actual value at which property valued by
 15 the department of revenue pursuant to chapters 428, 433, 437,
 16 and 438 shall be assessed shall be calculated in accordance
 17 with the methods provided herein, except that any references
 18 to ten percent in this subsection shall be eight percent.
 19 Beginning with valuations established as of January 1, 1979,
 20 and each year thereafter, property valued by the department of
 21 revenue pursuant to chapter 434 shall also be assessed at a
 22 percentage of its actual value which percentage shall be equal
 23 to the percentage determined by the director of revenue for
 24 commercial property, industrial property, or property valued by
 25 the department of revenue pursuant to chapters 428, 433, 437,
 26 and 438, whichever is lowest.

27 b. Notwithstanding paragraph "a", for valuations established
 28 for the assessment year beginning January 1, 2012, through
 29 valuations established for the assessment year beginning
 30 January 1, 2021, the percentage of actual value, as equalized
 31 by the director of revenue as provided in section 441.49, at
 32 which commercial property, excluding properties referred to
 33 in section 427A.1, subsection 8, shall be assessed shall be
 34 the percentage of actual value that commercial property was
 35 assessed in the previous assessment year minus one percentage

