



Application for Business Property Tax Credit

Iowa Code Section 426C.3

Initial Application

Reapplication By Owner Only

This application must be received by the city or county assessor where the property is located by July 1. An application received after July 1 will be considered as an application for the following year. Contact information for all assessors can be found at the Iowa State Association of Assessors website: www.iowa-Assessors.org.

Applicant/Owner Contact Information – Please Print

Name: _____

Mailing Address: _____

Phone (____): _____ eMail: _____

Date: _____ City/County Assessing Jurisdiction: _____

Owner's Name: _____

Parcel Numbers (attach additional sheets if necessary):

Property Address: _____

I certify that this parcel, or property unit, as defined in Iowa Code section 426C.1, is classified and taxed as commercial, industrial, or railway property under chapter 434. I certify that the property is not rented or leased to low-income individuals or families as authorized by section 42 of the Internal Revenue Code.

I certify that the property/property unit indicated above is not a mobile home park, manufactured home community, land-leased community, or assisted living facility, as those terms are defined in section 441.21, subsection 13, or property primarily used or intended for human habitation containing three or more separate dwelling units and not eligible for the credit.

I certify the property unit identified above is eligible for the credit.

Signature: _____ Date: _____

Written notification must be given to the assessor if this property unit ceases to qualify for the credit.

Office Use Only: Assessment Year Applicable: _____

Assessor or Authorized Representative:

I recommend that the application be: allowed: _____ disallowed: _____

Signed: _____ Date: _____

Board of Supervisors: allowed: _____ disallowed: _____ Date: _____

County #: _____ Year of Application: _____ Unit #: _____

of Parcels: _____ Sequence: _____

Business Property Tax Credit

Sec. 3. NEW SECTION. 426C.1 Definitions. For the purposes of this chapter, unless the context otherwise requires:

1. "*Contiguous parcels*" means any of the following: *a.* Parcels that share a common boundary. *b.* Parcels within the same building or structure regardless of whether the parcels share a common boundary. *c.* Permanent improvements to the land that are situated on one or more parcels of land that are assessed and taxed separately from the permanent improvements if the parcels of land upon which the permanent improvements are situated share a common boundary.
2. "*Department*" means the department of revenue.
3. "*Fund*" means the business property tax credit fund created in section 426C.2.
4. "*Parcel*" means as defined in section 445.1 and, for purposes of business property tax credits claimed for fiscal years beginning on or after January 1, 2016, "*parcel*" also means that portion of a parcel assigned to be commercial property, industrial property, or railway property under chapter 434 pursuant to section 441.21, subsection 13, paragraph "c".
5. "*Property unit*" means contiguous parcels all of which are located within the same county, with the same property tax classification, are owned by the same person, and are operated by that person for a common use and purpose.

Summary of Sec. 5. NEW SECTION. 426C.3 Claims for credit.

- The initial application form may be filed by a "Person" which under Iowa law is defined as an Individual, Corporation, Limited Liability Company, Government, Government Subdivision or Agency, Business Trust, Estate, Trust, Partnership or Association or any other legal entity. A reapplication must be filed by the property owner.
- Claims for the business property tax credit against taxes due and payable in fiscal years beginning on or after July 1, 2017, shall be filed not later than July 1 proceeding the fiscal year during which the taxes for which the credit is claimed are due and payable.
- The assessor remits the claims for credit to the county auditor with the assessor's recommendation for allowance or disallowance. If disallowance is recommended, the assessor shall submit the reasons for the recommendation, in writing, to the county auditor.
- The county auditor forwards the claims and recommendations to the board of supervisors.
- The board shall allow or disallow the claims. The board shall notify claimant of disallowance.
- If the claim for the tax credit is allowed, it continues to be allowed on the parcel or property for successive years as long as the parcel or property unit satisfies the requirements for the credit.
- If the parcel or property unit no longer qualifies for the credit, the owner shall provide written notice to the assessor on or before the filing date after the date the property ceases to be qualified for the credit.
- **If all or a portion of a parcel or property unit that is allowed a credit is sold, transferred, or ownership otherwise changes**, the buyer, transferee, or new owner who wishes to receive the credit must refile the claim for credit. In addition, the owner of the portion of the parcel or property unit for which ownership did not change shall refile the claim for credit as well.

Summary of Sec. 6. NEW SECTION. 426C.4 Eligibility and amount of credit.

- A person may claim and receive one credit for each eligible parcel unless the parcel is part of a property unit for which a credit is claimed.
- A person may claim and receive one credit for each property unit. A credit approved for a property unit shall be proportionally allocated to the several parcels within the property unit proportionately based on each parcel's total amount of property taxes due and payable bears as part of the total amount of property taxes due and payable on the property unit.
- What qualifies as a parcel: parcels classified and taxed as commercial property, industrial property, or railway property under chapter 434 is eligible for a credit under this chapter.
- What qualifies as a property unit: property units are comprised of property assessed as commercial property, industrial property, or railway property under chapter 434, in the same county, with the same classification, owned by the same person, are contiguous as defined in 426C.1, are separate items on a tax list, and are operated by that person for a common use and purpose.
- What **DOES NOT** qualify: (1) Property that is rented or leased and authorized by section 42 of the Internal Revenue Code for the applicable assessment year. (2) Property that is classed Multiresidential.

Common Use & Purpose Questionnaire

This questionnaire will be used to determine the percentage of the parcel which is used for commercial and human habitation purposes. Only the portion of the unit that is used for commercial or industrial use is eligible for the "Business Property Tax Credit". The human habitation portion will receive a multi-residential reduced rollback factor.

1. What is the name of the business(s) operating on this parcel?

2. Is this business portion of this property owner occupied? Yes No

If owner occupied, what portion is owner occupied? Describe 1st floor, 2nd floor or basement and estimated square footage.

3. Is any portion of this parcel leased to any business? Yes No

If leased, what portion is leased? Describe 1st floor, 2nd floor or basement and estimated square footage.

4. Is there any area of this parcel that is being used for human habitation which is leased? Yes No

If leased, what portion is leased? Describe how much of the area is used for human habitation such as square footage and number of apartments, 1st floor, 2nd floor or basement?

5. Are any of the apartments owner-occupied? Yes No

If yes, describe how much of the area is used for human habitation such as square footage and number of apartments; 1st floor, 2nd floor or basement?

6. Is any area of the first floor or upper floors vacant or used for storage? Yes No

If yes, please describe area & when last utilized.

=====

If you have an area being utilized for human habitation, we may be contacting you for an appointment to inspect the property.

Person Completing Form: _____

Email Address: _____

Contact phone number: _____ Date _____

*****Please return this form with the "Business Property Tax Credit Application"*****



Office of Story County Assessor
Story County Administration Building
900 6th Street
Nevada, Iowa 50201
515-382-7320
wschwickerath@storycounty.com

September 18, 2017

Dear Property Owner:

According to our records you are eligible for the “**Business Property Tax Credit**”. This credit was created by the 2013 Iowa Legislative session under Senate File 295. This credit is available for certain commercial, industrial and railroad properties. The credit does not apply to residential or agricultural classified properties. One credit is available for each qualified unit. A property unit consists of contiguous parcels of the same classification that are owned by the same person, located in the same county and operated by that person for a common use and purpose.

The enclosed application(s) has all the necessary data pre-filled and all you need to do is sign, date and return the application form to the Story County Assessor’s Office by July 1, 2018. Any applications received after July 1, 2018, will be considered applications for the next year.

The legislature appropriated \$50 million dollars for the 2014-2015 fiscal year, \$100 million dollars for the 2015-2016 fiscal year, and \$125 million for the 2016-2017 fiscal year. The fund is capped at \$125 million dollars. The credit will be deducted from the property taxes owed and shown on your property tax statement beginning with taxes payable in September of 2015 and March of 2016. The credit for the 2013 assessment was approximately \$900 on the first \$59,000 of taxable value. Your final credit will depend upon how much credit is requested statewide versus the amount that has been appropriated for each fiscal year thereafter.

***In addition to signing this application, I have included a short questionnaire form which needs to be filled out and returned to us with the Business Property Tax Credit Form. This questionnaire will be used to verify the “Common Use & Purpose test which will be used to determine the number of units that qualify for this credit. ***

Please return the enclosed application(s) and the questionnaire by July 1, 2018 or as soon as possible so you don’t miss out on this credit. If you have any additional questions, please do not hesitate to contact my office.

Sincerely,

Wayne Schwickerath
Story County Assessor