

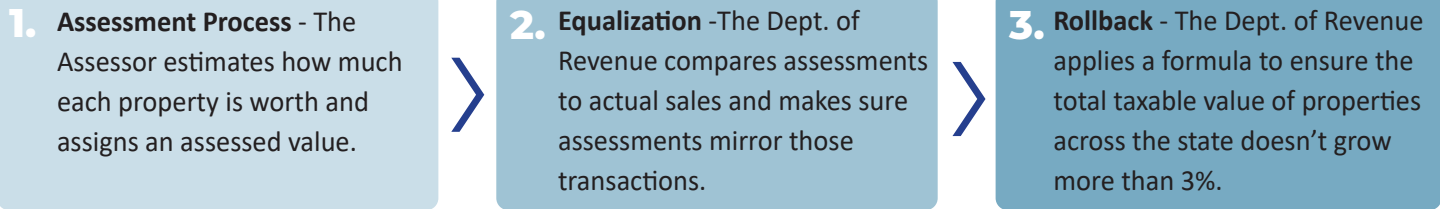
Iowa Property Taxes:

A Complex System Requires a Straightforward Solution



FOUNDATION

It's the Taxable Value - Not the Assessment - That Matters



These three steps set the taxable value of a property.

Local governments then decide how much they want to spend for the next year's budget and establish a tax rate.

1. Assessment Process

Real estate is assessed every other year. The local assessor assigns the actual/market value to each property. Farmland is assessed using a productivity formula. Accurately assessing property at its true market value is necessary for taxes to be levied fairly. This is NOT the final taxable value.

2. Equalization

The Dept. of Revenue compares assessments to actual sales in each jurisdiction. If properties have been assessed too high or too low, an equalization order is applied to bring it into compliance. This ensures properties are being assessed accurately.

3. Rollback

Rollback's purpose is to mitigate the growth of property tax bills due solely to assessment increases. Each property type has a rollback percentage applied annually to limit the growth of taxable value. The rollback percentage establishes the amount of a property's assessed value that is subject to taxation. For example, if a home has an assessed value of \$250,000 and is subject to a 50% rollback, then its taxable value is \$125,000.

Can the taxable valuation of a home rise by more than 3%?

YES!

Rollback is calculated statewide. Individual properties can still rise more than 3% in taxable value.

Taxing Entity	# of Levies	Collected Statewide
County	10	\$1.43 Billion
City	36	\$1.64 Billion
K-12 Schools	9	\$2.81 Billion
Community College	9	\$208 Million
Township	8	\$45.4 Million
County Ag Extension	3	\$28.1 Million
Assessor	6	\$27,582
County Hospital	8	\$148.2 Million
Other Entities	12	\$37.8 Million
TOTAL	101	\$6.35 Billion

Speaking of Rates...

Property is taxed by more than one authority. Schools, cities, and counties receive the most property tax. Others like hospitals, assessors, ag extension districts, community colleges, and townships receive smaller amounts. The TOTAL TAX RATE is called the consolidated rate and is the result of each taxing authority's spending decisions.

Local governments are allowed to use multiple tax levies. Many of these levies are uncapped and enacted without a vote of the taxpayer. Turn the page to learn more about property tax levies.

COUNTY	LEVY NAME	MAX RATE	# USING LEVY IN FY2023	TOTAL LEVY DOLLARS	AVG RATE USED
	General Basic	\$3.50000 (can be exceeded)	99	\$703,616,854	\$3.70
	General Supplemental	UNCAPPED	93	\$355,295,459	\$1.95
	Rural Basic	\$3.95000 (can be exceeded)	99	\$254,221,479	\$3.24
	Rural Supplemental	UNCAPPED	8	\$3,093,174	\$0.55
	Debt Service	UNCAPPED	74	\$116,262,373	\$0.62
	Pioneer Cemetery	\$0.07	19	\$337,239	\$0.01
	Voted 422D EMS	\$0.75	1	\$586,652	\$0.61
	Unified Law Enforcement	\$1.50	1	\$515,467	\$1.05
	Flood and Erosion	\$0.07	0	\$0	\$0.00
	Voted Emergency Medical Services (partial county) - Also 422D	\$0.75	0	\$0	\$0.00

CITY	LEVY NAME	MAX RATE	# USING LEVY IN FY2023	TOTAL LEVY DOLLARS	AVG RATE USED
	Regular General	\$8.10	936	\$913,403,205	\$7.84
	Ag Land	\$3.00	765	\$1,663,227	\$2.96
	Liability, Property & Self-Insurance Costs	UNCAPPED	666	\$42,895,715	\$1.78
	FICA & IPERS (if Regular General at limit)	UNCAPPED	622	\$82,032,505	\$1.10
	Other Employee Benefits	UNCAPPED	454	\$159,289,130	\$1.50
	Emergency (if Regular General at limit)	\$0.27	438	\$11,900,454	\$0.26
	Debt Service	UNCAPPED	417	\$300,124,945	\$2.61
	Operation & Maintenance of Owned Civic Center	\$0.14	172	\$2,411,683	\$0.13
	Support of Local Emergency Management Commission	UNCAPPED	161	\$1,655,373	\$0.27
	Support of Public Library	\$0.27	97	\$5,811,900	\$0.26
	Police & Fire Retirement	UNCAPPED	70	\$77,032,427	\$0.83
	Operation & Maintenance of Publicly Owned Transit	\$0.95	28	\$26,371,350	\$0.37
	Rent, Insurance & Maintenance of Non-Owned Civic Center	UNCAPPED	27	\$1,116,056	\$0.28
	Capital Improvement Reserve	\$0.67000 As Voted	24	\$1,785,790	\$0.60
	Unified Law Enforcement	\$1.50	19	\$603,886	\$1.02
	Aviation Authority	\$0.27	14	\$1,904,582	\$0.22
	Memorial Building Maintenance	\$0.81	9	\$1,822,894	\$0.52
	Planning a Sanitary Disposal Project	\$0.14	8	\$22,267	\$0.07
	Instrumental / Vocal Music Groups	\$0.14	7	\$268,299	\$0.04
	Cultural & Scientific Facilities	\$0.27	3	\$701,597	\$0.27
	Symphony Orchestra	\$0.14	1	\$48,320	\$0.01
	Maintain Institution Received by Gift or Devise	\$0.21	1	\$8,072	\$0.21
	Contract for Use of Bridge	\$0.68	0	\$0	\$0.00
	Levee Improvement Fund - Special Charter Cities	\$0.07	0	\$0	\$0.00
	County Bridge	As Voted	0	\$0	\$0.00
	Mississippi or Missouri River Bridge Construction	\$1.35	0	\$0	\$0.00
	Aid to a Transit Company	\$0.03	0	\$0	\$0.00
	City Emergency Medical District	\$1.00	0	\$0	\$0.00

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