

## Title 3 REVENUE AND FINANCE

Title 3 REVENUE AND FINANCE .....	1
Chapter 3.04 ISSUANCE OF CHECKS .....	1
3.04.010 Authorized.....	1
Chapter 3.08 PARTIAL PROPERTY TAX EXEMPTIONS .....	1
3.08.010 Purpose. ....	2
3.08.020 Definitions. ....	2
3.08.030 Intention of chapter. ....	2
3.08.040 Exemptions. ....	2
3.08.050 Application. ....	3
3.08.060 Submission of proposal. ....	4
3.08.070 Repeal of ordinance. ....	4
3.08.080 Exception to exemption. ....	4
Chapter 3.10 HOTEL-MOTEL TAX .....	4
3.10.010 Purpose. ....	4
3.10.020 Imposition of tax. ....	4
3.10.030 Remittance of tax. ....	4

**Chapters:**

### Chapter 3.04 ISSUANCE OF CHECKS

**Sections:**

**3.04.010 Authorized.**

Checks drawn upon the funds of the city, shall be signed by two of the following officers of the city: The mayor, the city manager, and/or the city treasurer, and each of the checks shall bear the name of two of the above named officers.

(Ord. 320 § 2, 1969)

### Chapter 3.08 PARTIAL PROPERTY TAX EXEMPTIONS

**Sections:**

### **3.08.010 Purpose.**

The purpose of this chapter is to make available a partial property tax exemption for residential, commercial and industrial property on which improvements have been made; such partial exemption being in the best interest of the city to encourage residential, commercial and industrial development.

(Ord. 838 § 2 (part), 2007: Ord. 835 § 2 (part), 2006: Ord. 508 § 1, 1981)

### **3.08.020 Definitions.**

"Actual value added" means the actual value added as of the first year for which the exemption is received, except that actual value added by improvements to machinery and equipment means the actual value as determined by the assessor as of January 1st of each year for which the exemption is received.

"New construction" means new buildings and structures which are constructed as additions to existing buildings and structures. New construction does not include reconstruction of an existing building or structure which does not constitute complete replacement of an existing building or structure or refitting of an existing building or structure, unless the reconstruction of an existing building or structure is required due to economic obsolescence and the reconstruction is necessary to implement recognized industry standards for the manufacturing and processing of specific products and the reconstruction is required for the owner of the building or structure to continue to competitively manufacture or process those products which determination shall receive prior approval of the city council upon the recommendation of the Iowa Development Commission.

"New machinery and equipment" means new machinery and equipment assessed as real estate pursuant to Section 427A.1, subsection one, paragraph e, of the Iowa Code unless the machinery or equipment is part of the normal replacement or operating process to maintain or expand existing operational status.

(Ord. 508 § 2, 1981)

### **3.08.030 Intention of chapter.**

The city council declares it to be the intention of this chapter to provide for a partial property tax exemption for actual value added to residential, commercial and industrial real estate by construction and the acquisition or improvement of machinery and equipment assessed to real estate pursuant to Iowa Code Section 427A.1(1)(e).

(Ord. 838 § 2 (part), 2007: Ord. 835 § 2 (part), 2006: Ord. 508 § 3, 1981)

### **3.08.040 Exemptions.**

- (a) Industrial Exemptions.
  - (1) The amount of actual value added to industrial property which is eligible to be exempt from taxation shall be as follows:
    - (A) For the first year, seventy-five percent;
    - (B) For the second year, sixty percent;
    - (C) For the third year, forty-five percent;
    - (D) For the fourth year, thirty percent;
    - (E) For the fifth year, fifteen percent.

- (2) After the fifth year there shall be no exemption and the granting of the exemption hereunder for new construction constituting complete replacement of an existing building or structure shall not result in the assessed value of the industrial real estate being reduced below the assessed value of the industrial real estate before the start of the new construction added.
- (b) Commercial Exemptions.
- (1) The amount of actual value added to the commercial property which is eligible to be exempt from taxation shall be as follows:
    - (A) For the first year, seventy-five percent;
    - (B) For the second year, fifty percent;
    - (C) For the third year, twenty-five percent.
  - (2) After the third year there shall be no exemption and the granting of an exemption hereunder for new construction shall not result in the assessed value of the commercial real estate being reduced below the assessed value of the commercial real estate before the start of the new construction added or result in increase in the assessed value of seventy-five thousand dollars of the new construction added.
  - (3) In order to be eligible for this exemption the increase in assessed value from improvements must be fifteen percent or more. Property owners shall not be eligible for exemption of increases in assessed value in excess of seventy-five thousand dollars.
- (c) Residential Exemptions.
- (1) The amount of actual value added to the residential property which is eligible to be exempt from taxation shall be as follows:
    - (A) For the first year, seventy-five percent;
    - (B) For the second year, fifty percent;
    - (C) For the third year, twenty-five percent.
  - (2) After the third year there shall be no exemption and the granting of an exemption hereunder for new construction shall not result in the assessed value of the residential real estate being reduced below the assessed value of the residential real estate before the start of the new construction added.
  - (3) In order to be eligible for this exemption the increase in assessed value from improvements must be fifteen percent or more. Property owners shall not be eligible for exemption of increases in assessed value in excess of seventy-five thousand dollars.

(Ord. 838 § 2 (part), 2007: Ord. 835 § 2 (part), 2006: Ord. 508 § 4, 1981)

### **3.08.050 Application.**

An application shall be filed for each project resulting in actual value added for which an exemption is claimed. The application for exemption shall be filed by the owner of the property with the local assessor by February 1st of the assessment year in which the value added is first assessed for taxation. Applications for exemption shall be made on forms prescribed by the director of revenue and shall contain information pertaining to the nature of the improvement, its cost, and other information deemed necessary by the director of revenue. All applications for exemption of improvements which have not been timely reported to the Lucas County, Iowa, Assessor or for which a permit has not been obtained under Section 15.04.020 shall be denied.

(Ord. 838 § 2 (part), 2007: Ord. 508 § 5, 1981)

### **3.08.060 Submission of proposal.**

A person may submit a proposal to the city council for prior approval for eligibility for a tax exemption on new construction. The city council, by ordinance, may give its prior approval of a tax exemption for new construction if the new construction is in conformance with the zoning plans for the city and after public hearing as by law provided. Such prior approval shall not entitle the owner to such exemption until the new construction has been completed and found to be qualified real estate. However, if the tax exemption for new construction is not approved, the person may submit an amended proposal to the city council to approve or reject.

(Ord. 508 § 6, 1981)

### **3.08.070 Repeal of ordinance.**

The ordinance codified in this chapter may be repealed by the city council when in its opinion continuation of the exemption granted ceases to be of benefit to the city but all existing exemptions shall continue until their expiration.

(Ord. 508 § 7, 1981)

### **3.08.080 Exception to exemption.**

A property tax exemption under this chapter shall not be granted if the property for which the exemption is claimed has received any other property tax exemption authorized by law.

(Ord. 508 § 8, 1981)

## **Chapter 3.10 HOTEL-MOTEL TAX**

### **Sections:**

#### **3.10.010 Purpose.**

It is the purpose of this chapter to impose a hotel-motel tax upon the gross receipts from the renting of rooms in hotels, motels, inns and bed and breakfast in the city.

(Ord. 775 § 2 (part), 2000)

#### **3.10.020 Imposition of tax.**

A tax is imposed at the rate of seven percent upon the gross receipts from the renting or any and all sleeping rooms, apartments, or sleeping quarters in any hotel, motel, inn, bed and breakfast, public lodging house, rooming house, tourist court, or any place where sleeping accommodations are furnished to transient guests for rent in the city.

(Ord. 775 § 2 (part), 2000)

#### **3.10.030 Remittance of tax.**

The tax imposed in this chapter shall be remitted to the Iowa Department of Revenue and Finance along with the collector's monthly or semimonthly sales tax deposit.

(Ord. 775 § 2 (part), 2000)

Chariton, Iowa, Code of Ordinances  
Title 3 REVENUE AND FINANCE

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