

Property Tax Guidelines

Iowa

Important Dates

<i>Valuation Date</i>	January 1
<i>Tax Bills Due</i>	September 30th and March 31st (i.e. taxes on 2022 assessment due 09/30/23 and 03/31/24)
<i>Assessment Cycle</i>	Reassessment every odd-numbered year
<i>Valuation Notice</i>	Mailed in odd-numbered years prior to April 1st
<i>Appeal Deadline</i>	April 30th for Board of Review
<i>Levels of Appeal</i>	Informal Review, County / City Board of Review, Property Assessment Appeal Board (PAAB) or District Court, Appeals Court / Supreme Court

Valuation

The local assessor typically values property via the cost approach with market-based adjustments applied. Commercial properties are often valued with consideration of the sales comparison approach and income approach. Per state statute, residential, multifamily, commercial and industrial real estate are to be assessed at 100% of market value. Properties are assessed on a fee simple basis. Typically, assessments are not changed during even-numbered years unless there are special circumstances, such as new construction, demolition or a change peculiar to a specific property or group of properties.

Rollback

Initial assessed values are established by the local assessor. A rollback factor is then applied by property class by the Iowa Department of Revenue (DOR) to limit the annual growth of property assessments. The rollback percentages can vary from year-to-year but are consistent across all jurisdictions. For 2022, the rollback for commercial and industrial property was 90% and the rollback for residential property was 54.6501%.

Equalization

The Iowa Department of Revenue (DOR) is responsible for equalizing assessments every two years to maintain equitable assessments among classes of property and assessing jurisdictions. The DOR compares the assessors' abstracts to their independent sales assessment ratio studies – if the assessments are 5% or more above or below the median of the sales ratio study, the DOR will apply an adjustment for that class (agricultural, residential, commercial and multi-residential) and jurisdiction.

Urban Revitalization Tax Abatement

This tax abatement is a temporary reduction in the property tax that would otherwise be paid on the actual value added to a property due to qualified improvements. Historically, the purpose of the abatement was to revitalize blighted areas and to spur economic development. The qualified improvements (excludes land) must be in a designated urban revitalization area. The amount of exemption and duration will vary based on the specific plan each governing body selects. Abatement schedules range from three to ten years.



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