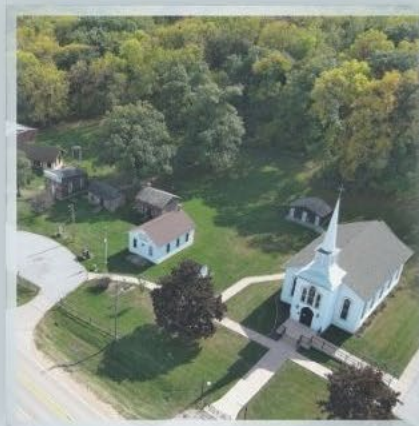


# Scott County – Legislative – Property Tax Update



March 13, 2025



# Recent Bills

- Senate File 596 – Moves EMA financing from County-wide levy to per capita model of Cities and County Rural basic levy.
- House File 418 – Moves assessment limitations in 5% increments from Assessment Year 2025 to Assessment Year 2034. The levy rate would move in an inverse direction of the valuation increase.
- House File 600 – A rate limitation of 102% of the average levy of the “governmental subdivision”. A vote to exceed the maximum levy rate with a 60 percent vote, once in a five-year period.
- Senate Study Bill 303 – Creates a new Foundation Property Tax Reduction Fund at the State level. This impacts school funding.
- House Study Bill 304 – limits property tax growth on residential and agriculture property to 3% in dollars across all levies and 8% in dollars for commercial / industrial property. If the qualifying tax bill exceeds the threshold, the tax bill will be administratively reduced across taxing jurisdictions.



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# House Study Bill 313 and Senate Study Bill 1208

- Phase out the state's "rollback" for residential and commercial properties by 2030.
- Cap most property tax levy growth to 2% each year, excluding revenue from new construction.
- Give each household a \$25,000 homestead property tax exemption.
- Provide a property tax credit to lowans at least 70 years old who make less than 350% of the federal poverty level.
- \$426 million in school funding from state general funds – currently paid with property taxes.
- No ad valorem Debt in General Fund to fund general county operations through the sale of bonds or issuance of indebtedness.



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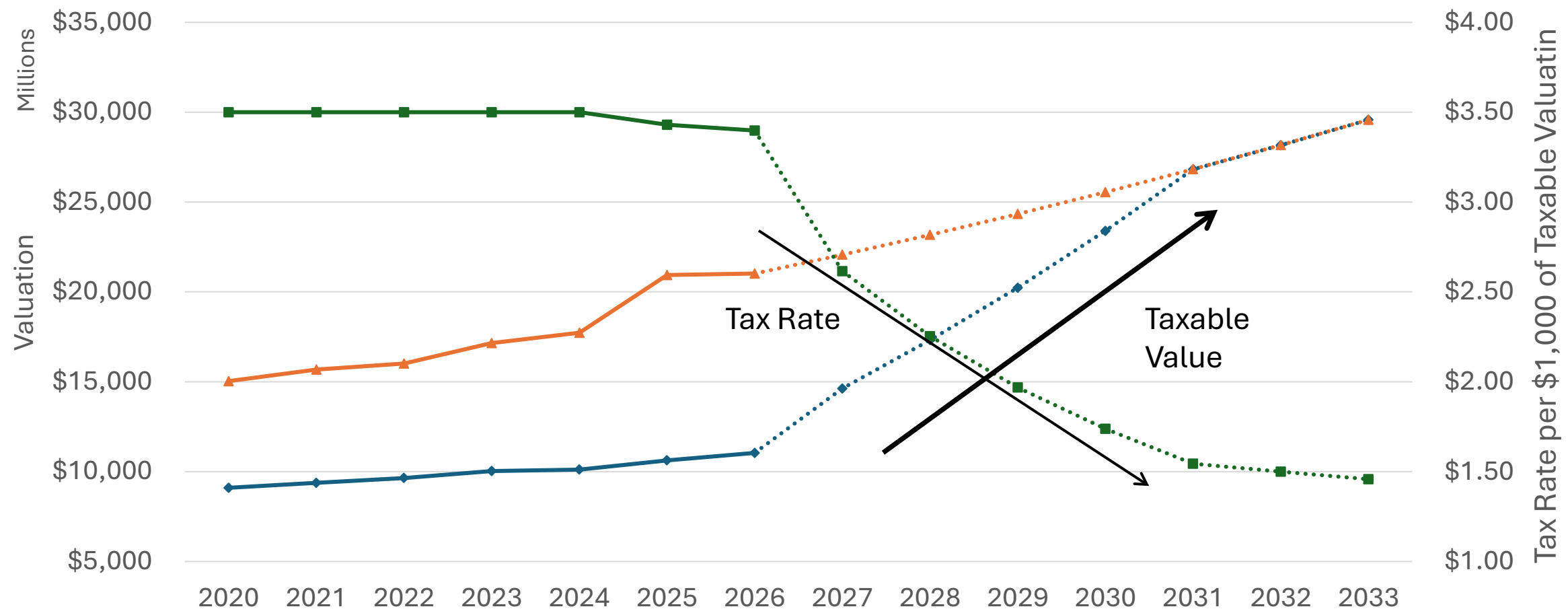
# Potential impacts of HSB 313 and SSB 1208

- Taxable valuation goes up; levy capped rates will retract to create the dollar limitation of 2%.
- Municipalities currently receive a credit for taxes paid by homesteads. These bills would change the credit to an exemption. The exemption lowers the taxable value of the house, but the municipality does not receive a credit for taxes paid.
- 2% cap on revenue growth does not address economic changes such as reduced interest income, unfunded mandates, supply inflation, or Iowa Chapter 20 collective bargaining restraints.



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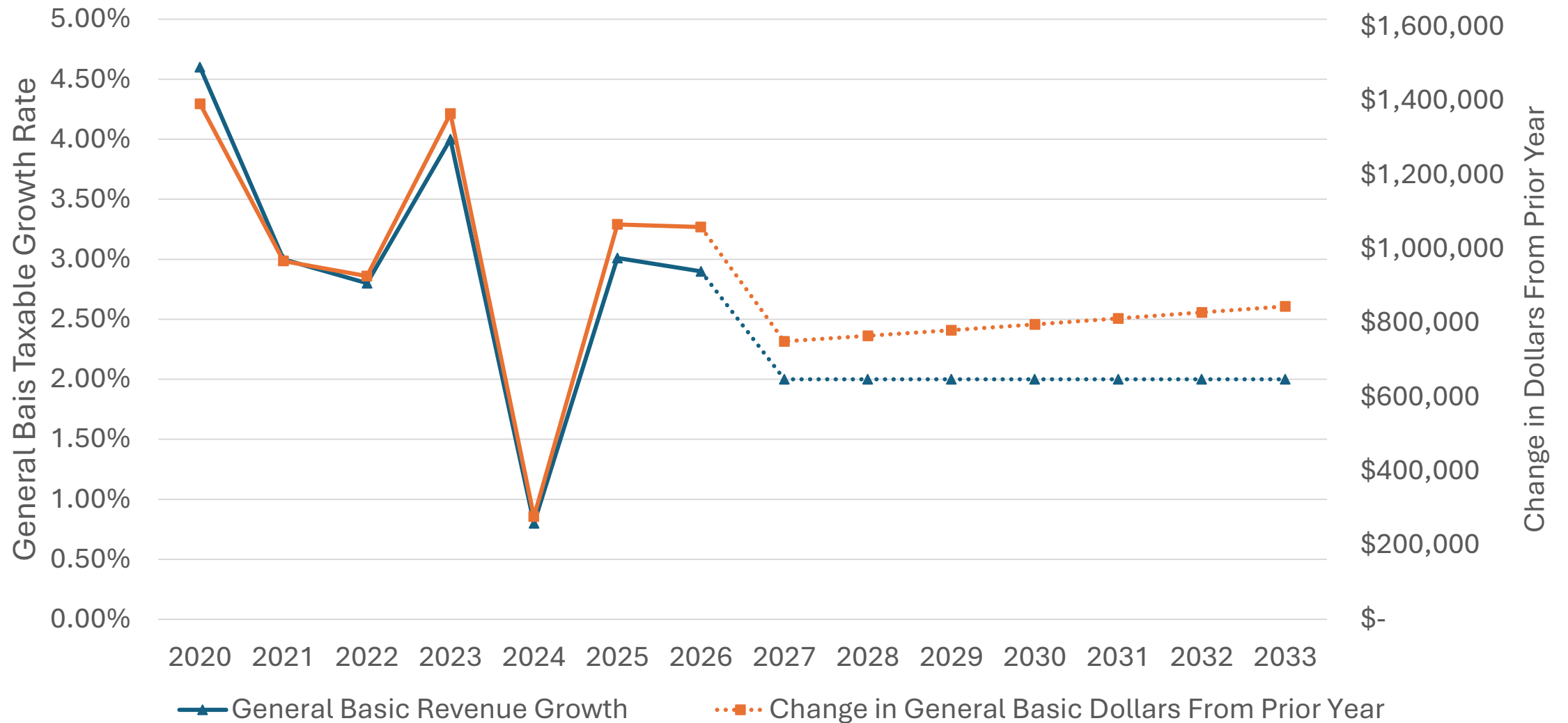
# Taxable Valuation vs Revenue Capped Levy Rate



◆◆◆ Total Taxable Valuation / Projection    ▲ Total Valuation / Projection    ■ General Basic Tax Rate

As taxable valuation increases to the total valuation, the capped levy rate retracts to accomplish a 2% revenue growth limitation.

## General Basic Tax Levy Revenue



Does not consider new growth / construction due to unknown growth of new valuation by jurisdiction.

# What does new money pay for?

- \$0.01 is approximately \$100,000 in property tax revenue.
- \$800,000 new money helps pay for the following:
  - COLA and Steps for collective bargaining and non-represented staffing
  - Capital renewal for public safety fleet
  - Information technology contracts on support services; i.e. time and attendance software, planning permitting and licensure software, jail management software
  - Food supplies for YJRC and Jail



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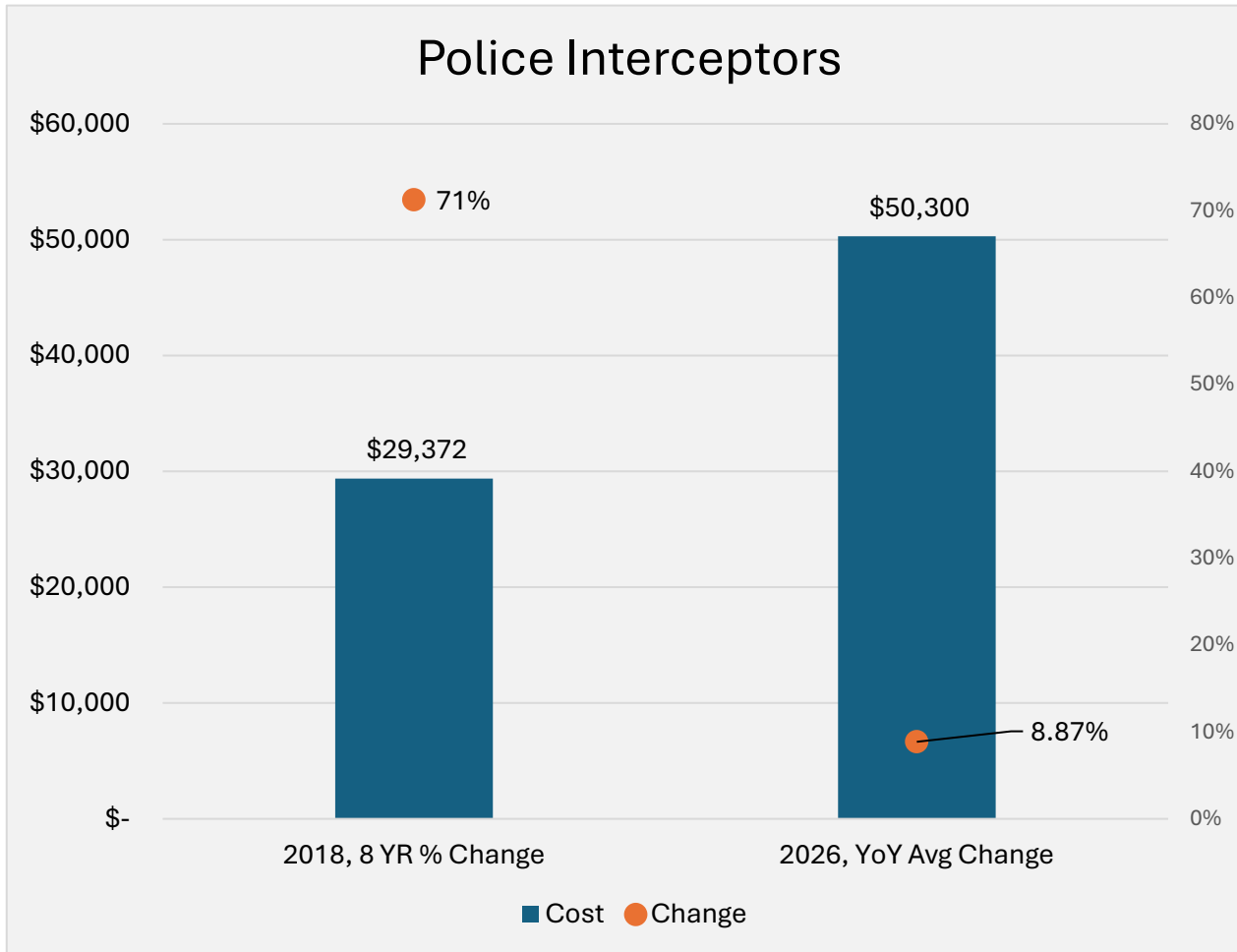


# Inflation to Operating Departments

- General Fund non-salary and benefit expenditures have risen 5.12% per year between 2014 and 2024.

| Category                            | 2014 Actual | 2024 Actual | % Change per year | 2026 Budget |
|-------------------------------------|-------------|-------------|-------------------|-------------|
| Out of County Placement - Adults    | \$10,400    | \$711,915   | 674.53%           | \$933,400   |
| Out of County Placement – Juveniles | \$17,165    | \$217,918   | 116.95%           | \$50,000    |
| Liability Claims                    | \$58,892    | \$534,415   | 80.74%            | \$180,000   |
| Insurance Premiums                  | \$513,039   | \$870,441   | 6.97%             | \$1,284,965 |
| Supplies                            | \$860,813   | \$1,118,196 | 3.80%             | \$1,407,829 |
| Postage and Shipping                | \$365,395   | \$456,274   | 2.49%             | \$466,410   |



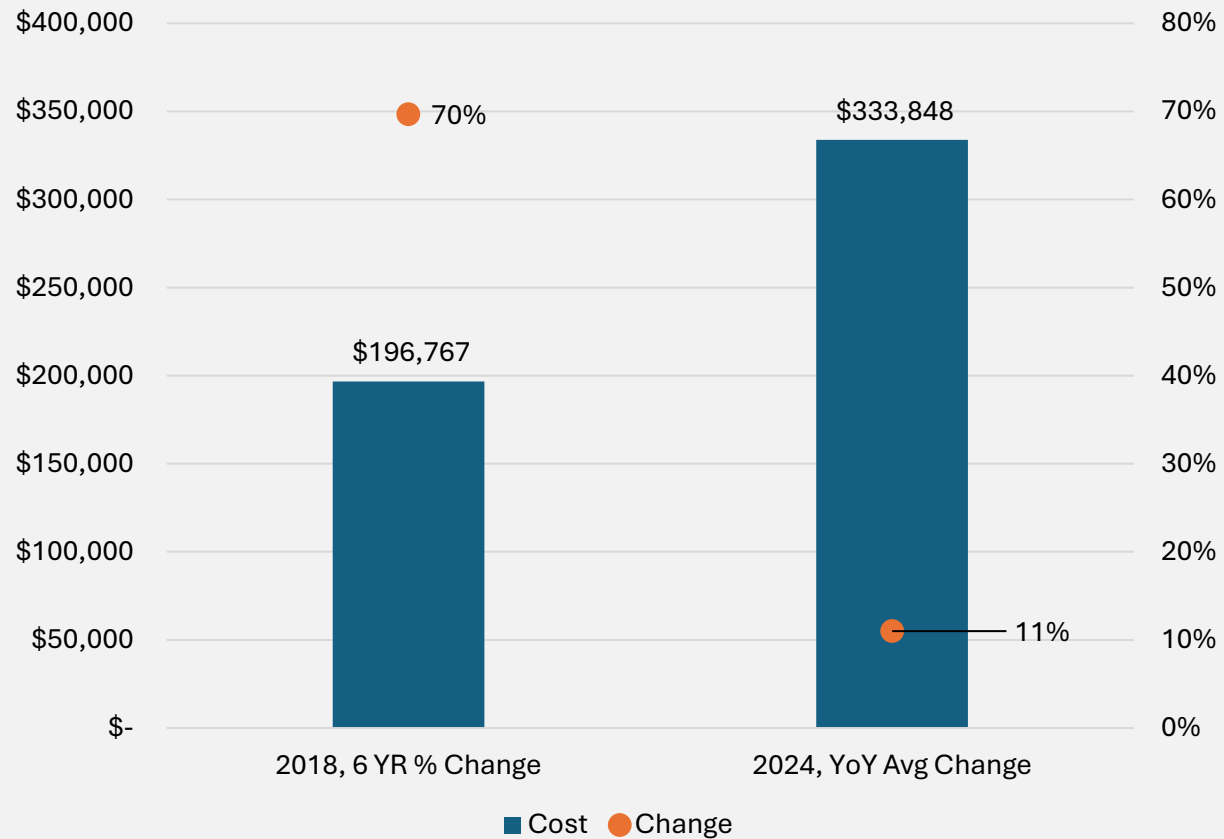


Please note: Although prices are specific to Scott County based on county specifications, these increases do reflect industry wide changes. Year to year changes are non-linear. Covid years saw the largest increases of 30-40% during this time span.



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## Life Line Ambulance



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