



Revenue and Finance



STATE OF IOWA

November 27, 2002

The Honorable Thomas J. Vilsack
Governor, State of Iowa
State Capitol
Des Moines, Iowa

Governor Vilsack:

I am once again pleased to submit the Annual Report of the Iowa Department of Revenue and Finance to you, the General Assembly and the taxpayers of Iowa. Despite appropriation reductions and difficult budget times, we continue to focus on our priorities and mission statement with success. Fiscal Year 2002 was a record year in enforcement collections, and Iowa was a leader in the nation in electronic filing of income tax returns. In addition, we implemented seven new programs.

This report details the department's activities and accomplishments while administering Iowa's tax laws and Iowa's financial management operations during the fiscal year ended June 30, 2002. Although this summary includes a brief discussion of the Iowa Lottery and its fundamental aims, a separate report prepared by the Lottery Division provides comprehensive information on that organization's fiscal activities.

The Department of Revenue and Finance continues to work toward the realization of many varied goals. Our goals include encouraging voluntary compliance through continued taxpayer education and assistance; enhancing revenue collections from all sources; promoting and improving the financial management of state government; increasing the productivity of all operational phases; and facilitating the professional growth of a dedicated staff.

For 27 years as director, I have endeavored to administer Iowa tax laws equitably and to collect state tax revenues efficiently. This year — my last as director — has been challenging and rewarding for myself and our employees.

Sincerely,

A handwritten signature in black ink, appearing to be "G. D. Bair", written over a horizontal line.

G. D. Bair, Director
Iowa Department of Revenue and Finance

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CORE FUNCTIONS

Iowa Department of Revenue and Finance

Financial Management

- Registering taxpayer
- Receiving and processing taxpayer returns and remittances
- Collecting outstanding revenues and other state debt
- Maintaining statewide accounting system and paying claims against state

Compliance

- Offering assistance and developing policy clarification to enable taxpayers to file correctly
- Auditing and examining taxpayers transactions and filing status to ensure compliance with tax laws

Internal Resource Management

- Providing information technology systems/enhancements and statistical analysis and support
- Providing human resource/budget/support of internal operations

Local Government

- Administering property tax laws and working with local officials in carrying out their duties
- Collecting and distributing local option taxes in addition to other state payments to local government

DEPARTMENT GOALS

The Iowa Department of Revenue and Finance strives to...

collect all taxes due, but no more...

- The department determines, assesses and collects revenue from 13 different state sources and three sources of local revenue taxes.
- Nearly 3.2 million documents are processed in a typical year.
- During “tax season” (January through April), the department employs more than 60 temporary workers to assist in processing 1.4 million individual income tax returns.
- The department employs 438 full-time employees in the central office and in-state field offices.
- More than 15,000 sales and use tax permits are issued every year, and approximately 8,500 withholding tax agents are registered.

conduct the Iowa Lottery to maximize revenue...

- The Iowa Lottery Board and commissioner conduct games to raise funds for state purposes.
- Lottery sales totaled \$181.3 million in Fiscal Year 2002, with more than \$48.1 million raised for worthwhile state programs.

manage the state’s financial resources...

- The department annually receives, disburses and monitors billions of dollars for the State of Iowa.

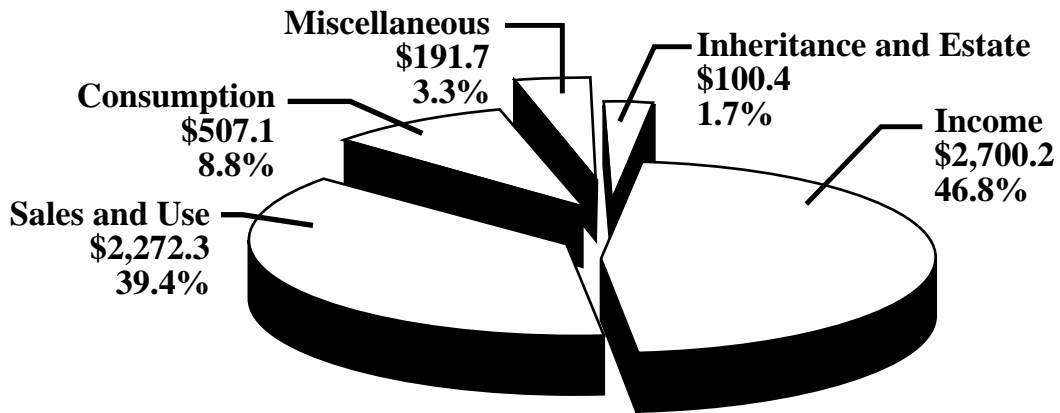
educate the taxpaying public about Iowa taxes...

- Last year the Taxpayer Service Section responded to more than 1 million telephone, mail, e-mail, Internet or in-person contacts.
- Taxpayer service specialists throughout the state gave more than 350 presentations to almost 7,000 people. In addition, they contacted approximately 1,400 new businesses and local government offices and organized over 300 sessions across the state to help taxpayers WebFile their income tax returns.

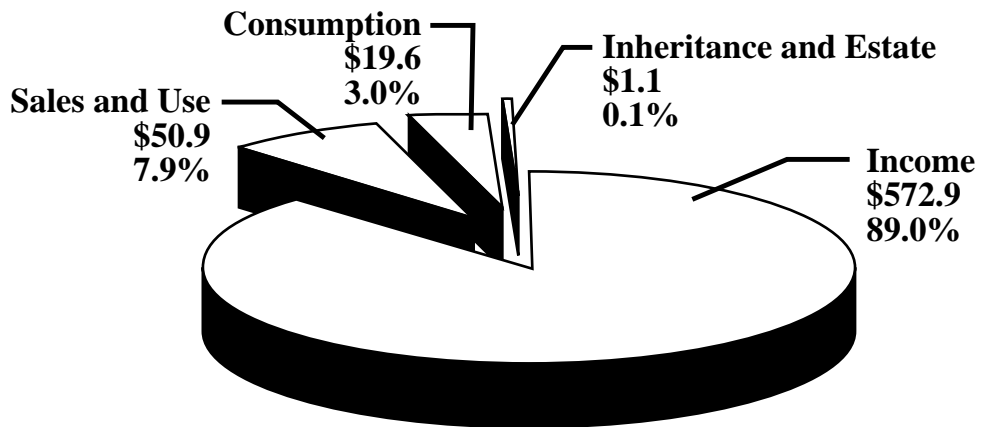
GROSS TAX COLLECTIONS AND REFUNDS

Fiscal Year 2002

Gross Tax Collections TOTAL: \$5,771.7 In Millions



Tax Refunds TOTAL: \$644.4 In Millions



GROSS COLLECTIONS, REFUNDS AND NET COLLECTIONS

Fiscal Year 2002

TAXES	GROSS COLLECTIONS	REFUNDS	NET COLLECTIONS
INCOME TAXES			
Individual Income Tax	\$2,440,436,240.96	\$461,424,924.04	\$1,979,011,316.92
Corporation Income Tax	228,819,399.12	110,074,387.18	118,745,011.94
Franchise Tax	30,914,566.80	1,370,740.69	29,543,826.11
Total Income Taxes	\$2,700,170,206.88	\$572,870,051.91	\$2,127,300,154.97
SALES AND USE TAXES			
Sales Tax ¹	\$1,775,836,099.34	\$37,047,359.02	\$1,738,788,740.32
Use Tax	238,032,969.00	13,818,388.22	224,214,580.78
Motor Vehicle Use Tax	258,435,598.85	0.00	258,435,598.85
Total Sales and Use Taxes	\$2,272,304,667.19	\$50,865,747.24	\$2,221,438,919.95
CONSUMPTION TAXES			
Motor Vehicle Fuel Taxes ²	\$412,037,338.43	\$18,449,743.00	\$393,587,595.43
Cigarette Tax	\$87,993,979.19	1,092,543.06	\$86,901,436.13
Tobacco Tax	7,087,941.04	46,598.70	7,041,342.34
<i>Subtotal – Cigarette and Tobacco Taxes</i>	<i>95,081,920.23</i>	<i>\$1,139,141.76</i>	<i>93,942,778.47</i>
Total Consumption Taxes	\$507,119,258.66	\$19,588,884.76	\$487,530,373.90
Total Inheritance and Estate Taxes	\$100,374,243.93	\$1,078,909.06	\$99,295,334.87
MISCELLANEOUS TAXES			
Environmental Protection Charge	\$19,683,875.80	\$0.00	\$19,683,875.80
Motor Vehicle Use 25% EPC Deposit	17,000,000.00	0.00	17,000,000.00
Real Estate Transfer Tax	12,021,394.46	0.00	12,021,394.46
Hazardous Materials Permit Fees	279,175.00	0.00	279,175.00
Insurance Premium Tax	135,372,923.37	0.00	135,372,923.37
Reimbursements	463,563.50	0.00	463,563.50
Motor Vehicle Title Surcharge	5,609,536.60	0.00	5,609,536.60
Miscellaneous	1,282,520.67	0.00	1,282,520.67
Total Miscellaneous Taxes	\$191,712,989.40	\$0.00	\$191,712,989.40
GRANDTOTAL	\$5,771,681,366.06	\$644,403,592.97	\$5,127,277,773.09

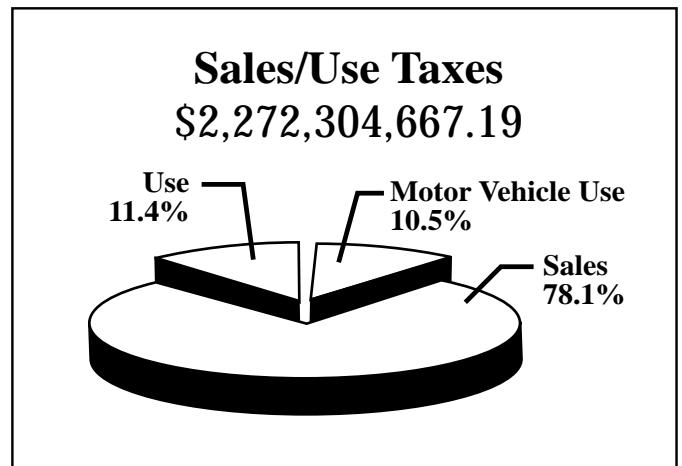
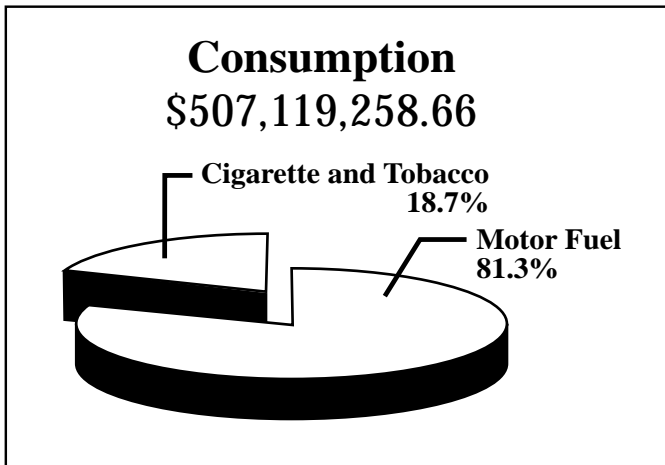
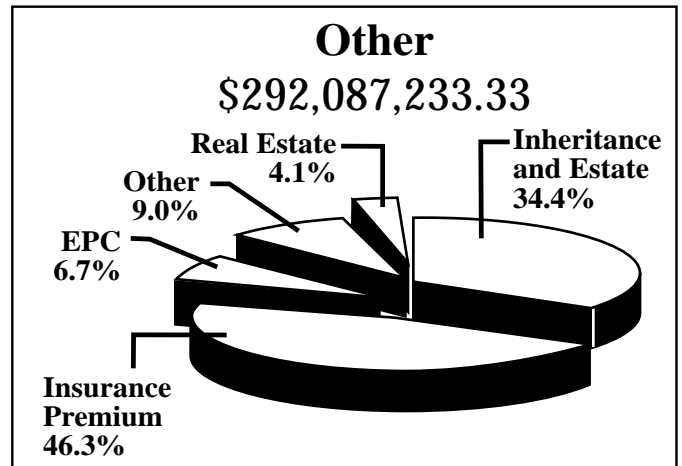
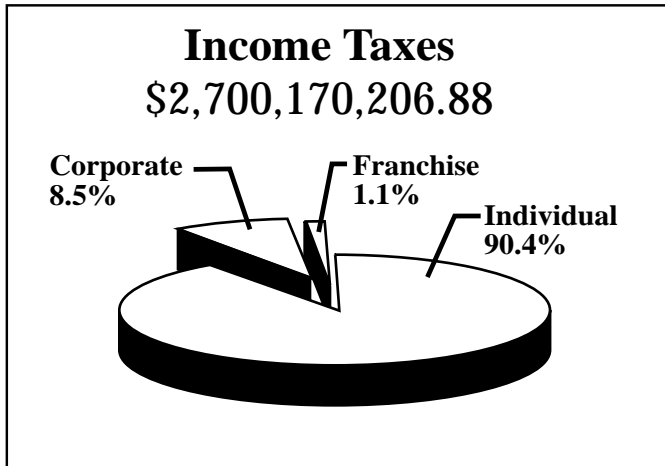
¹ Gross sales tax collections include approximately \$294.8 million in local option sales tax and hotel/motel tax collections.

² Prior years' reports provided a breakout of motor fuel taxes between motor vehicle fuel taxes and aviation fuel taxes.

Motor fuel taxes attributed to motor vehicle use and aviation use are no longer tracked separately.

REVENUE SOURCES

Fiscal Year 2002



GROSS TAX COLLECTIONS

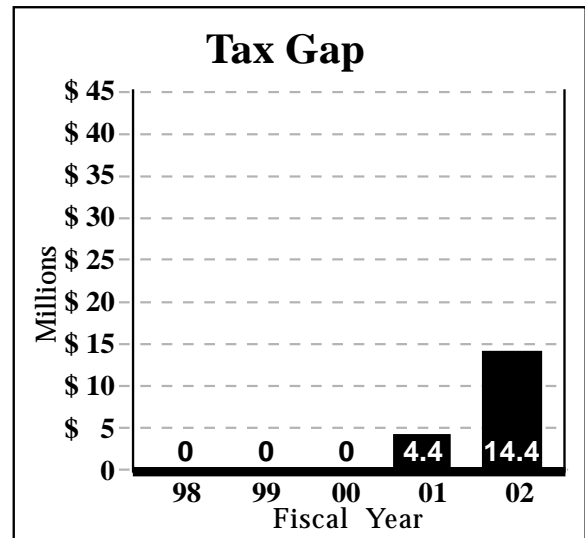
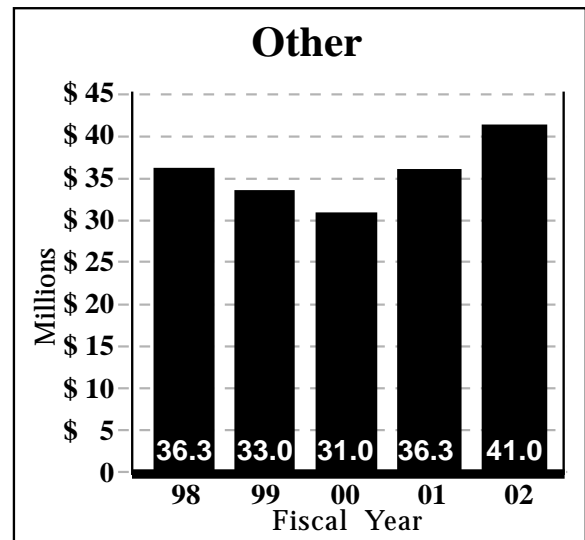
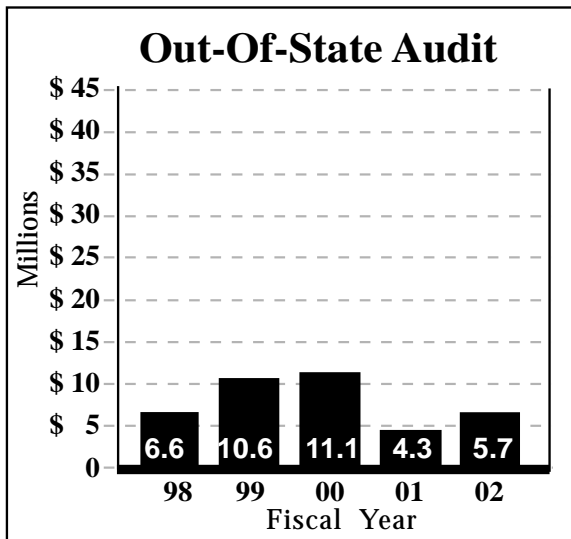
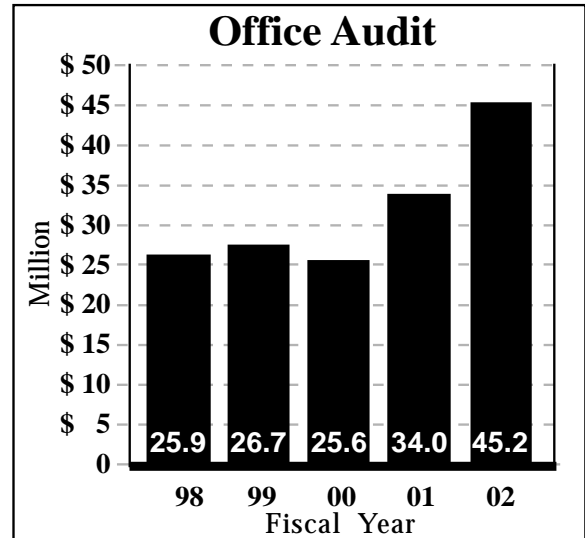
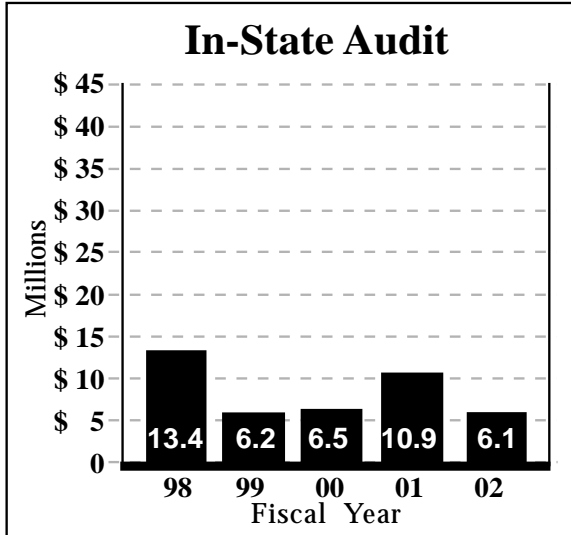
For Fiscal Years Ending June 30

TAXES	1992	1998	1999	2000	2001	2002
Individual Income	\$1,593,376,172.95	\$2,337,939,228.15	\$2,286,318,957.45	\$2,426,817,861.99	\$2,491,106,626.23	\$2,440,436,240.96
Corporation Income	237,419,387.63	290,961,910.93	322,126,772.55	326,764,046.34	286,215,987.43	228,819,399.12
Franchise	26,435,376.36	36,406,413.20	33,755,649.04	31,764,220.33	31,246,969.37	30,914,566.80
Sales	866,088,168.25	1,441,241,593.45	1,544,685,945.15	1,634,157,445.67	1,729,455,824.09	1,775,836,099.34
Use (includes Motor Vehicle Use and Lease taxes)	228,014,005.14	454,479,529.89	473,962,226.41	497,867,508.64	487,700,095.09	496,468,567.85
MV Fuel (includes Aviation Fuel)	346,083,734.54	411,089,502.00	429,524,565.35	435,146,468.54	446,780,146.46	412,037,338.43
Cigarette	93,534,178.30	94,626,420.80	92,323,542.16	91,051,265.18	89,562,393.53	87,993,979.19
Tobacco Products	3,899,090.28	6,094,281.80	6,530,308.66	6,637,091.97	6,658,888.47	7,087,941.04
Inheritance & Estate	78,030,223.14	109,817,189.15	90,142,858.08	114,786,401.13	104,583,710.26	100,374,243.93
EPC	14,873,179.49	18,652,217.99	19,749,797.06	19,664,219.99	19,366,764.03	19,683,875.80
MV 25% EPC Dep. ¹	14,475,000.00	17,000,000.00	17,000,000.00	17,000,000.00	17,000,000.00	17,000,000.00
Real Estate Transfer	5,938,368.16	9,904,731.66	10,585,141.46	10,790,752.20	10,487,388.47	12,021,394.46
Hazardous Material	314,766.83	235,150.00	220,875.00	439,175.00	321,675.00	279,175.00
Insurance Premium	97,445,761.43	108,868,140.60	114,344,548.88	120,211,667.83	126,610,891.04	135,372,923.37
Reimbursements	178,827.96	494,006.72	328,846.06	243,415.98	195,037.67	463,563.50
MV Title Surcharge	4,531,190.00	4,925,281.00	5,521,434.00	5,746,533.45	5,431,796.48	5,609,536.60
Miscellaneous	285,948.61	1,181,468.62	886,083.90	1,009,003.08	1,066,625.70	1,282,520.67
GRAND TOTAL	\$3,610,923,379.07	\$5,343,917,065.96	\$5,448,007,551.21	\$5,740,097,077.32	\$5,853,790,819.32	\$5,771,681,366.06

¹ Beginning on July 1, 1995, the maximum amount of motor vehicle use tax collections available for transfer to the EPC fund was increased from \$15 million to \$17 million.

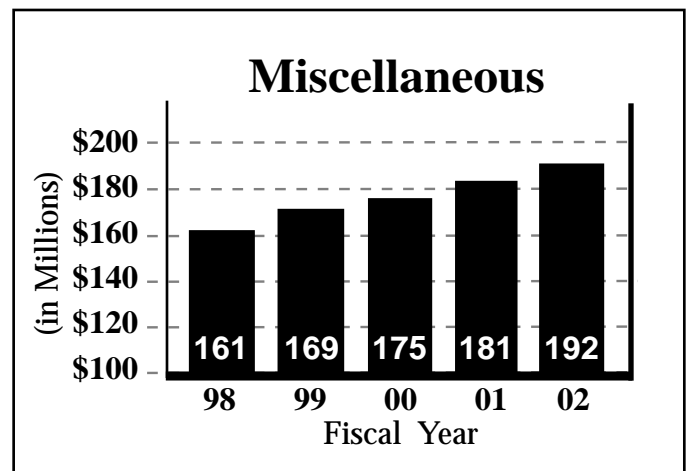
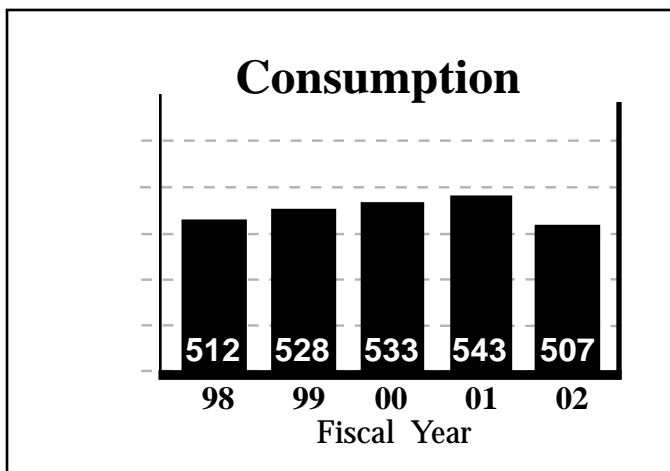
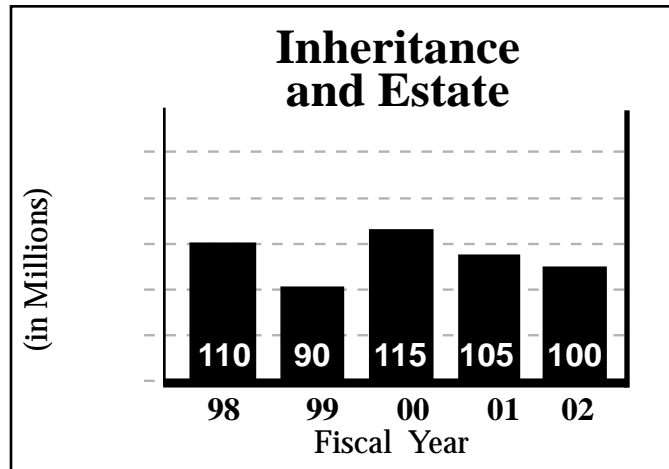
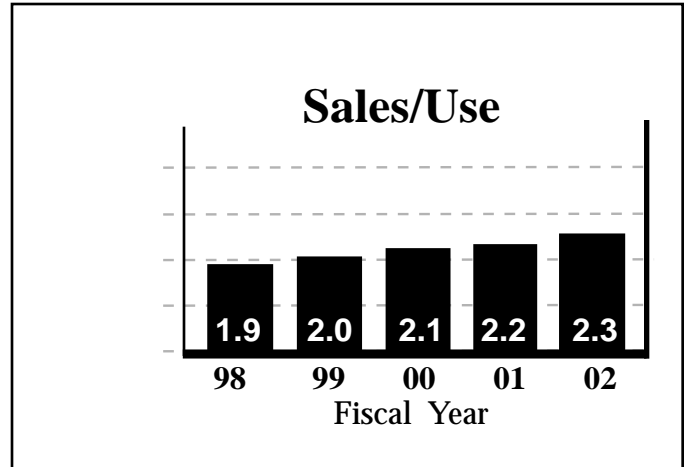
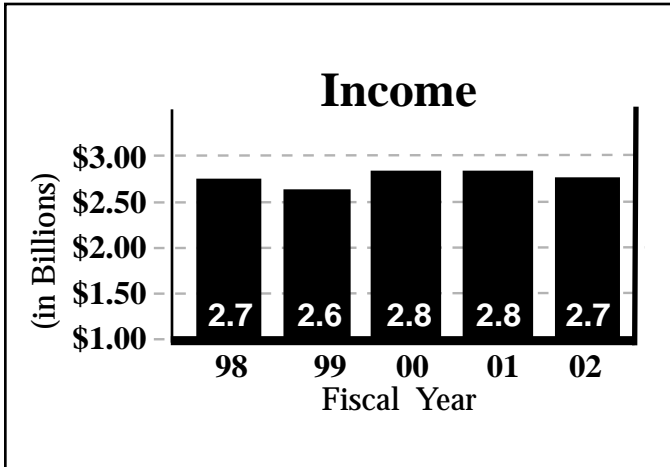
NON-COMPLIANCE COLLECTIONS

Five-Year Comparison



COLLECTIONS BY TAX TYPE

Five-Year Comparison



GROSS TAX COLLECTIONS AND REFUNDS

Calendar Year 2001

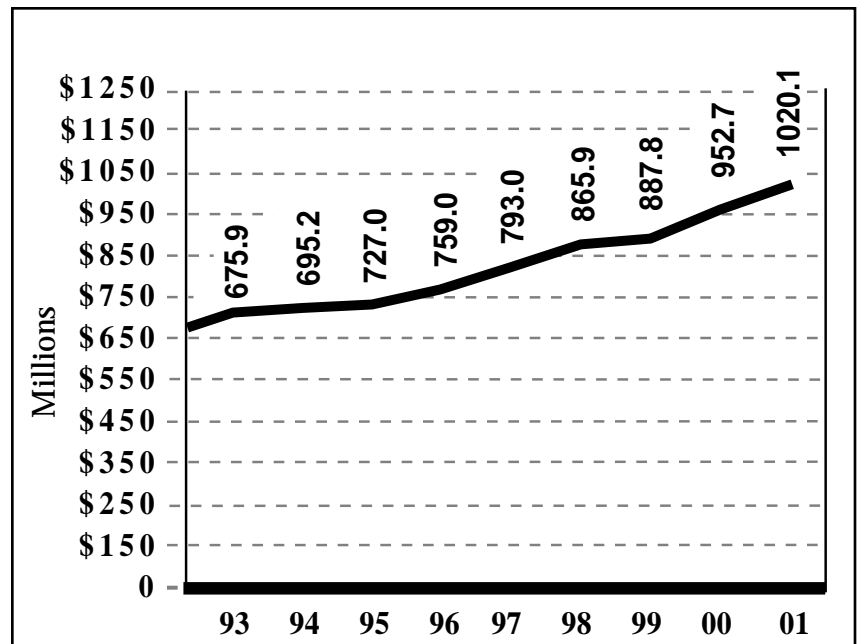
The following information excludes Board of Regents institutions and the Department of Transportation, State Fair Board and Community-Based Corrections.

Total gross payroll paid in 2001	\$812.8 million
Total state share costs for 2001 (detailed below)	<u>\$207.3 million</u>
Total payroll costs for Centralize Payroll in 2001	\$1,020.1 million

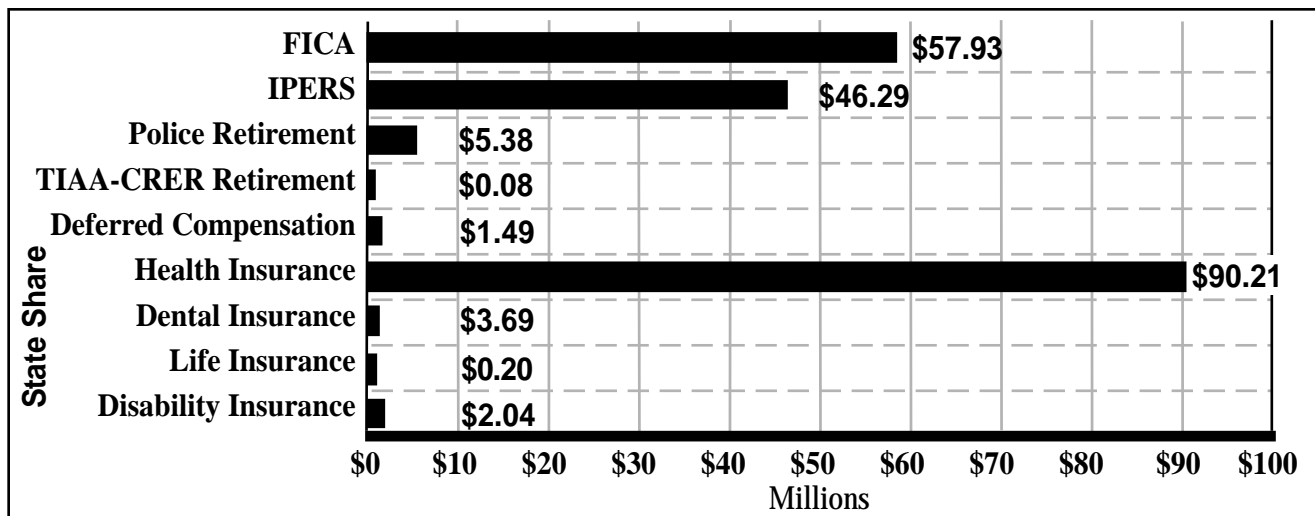
Average number of employees paid per pay period 20,583

Average percentage of employees utilizing direct deposit for payroll 83.4%

TOTAL PAYROLL COSTS



TOTAL PAYROLL COSTS INCLUDE THE FOLLOWING STATE SHARES:



Accounting for and reporting these state share disbursements, as well as mandatory and discretionary employee deductions, totaling \$324.3 million, is the responsibility of the Centralized Payroll Section of the State Financial Management Division.

HOTEL/MOTEL TAX DISTRIBUTIONS*

Fiscal Year 2002

Adair	41,241.26	Iowa City	648,309.82
Altoona	379,702.17	Iowa County	204,282.97
Ames	740,089.59	Johnston	223,843.53
Anamosa	18,100.65	Keokuk	134,683.34
Ankeny	369,173.87	LeClaire	87,389.86
Arnolds Park	134,903.72	Lee County	737.50
Bellevue	5,119.99	Maquoketa	37,240.43
Bettendorf	751,467.38	Marion	135,524.26
Bondurant	0.00	Marshalltown	183,676.92
Boone	88,322.70	Mason City	247,351.62
Burlington	373,400.07	McGregor	11,137.95
Carter Lake	199,434.07	Missouri Valley	83,141.14
Cedar Falls	360,705.31	Monticello	12,119.22
Cedar Rapids	1,953,293.72	Mt. Pleasant	116,405.46
Charles City	55,303.47	Muscatine	276,206.84
Clear Lake	214,140.37	Newton	203,116.07
Clinton	222,179.11	Okoboji	244,467.24
Clive	932,008.16	Osceola	205,233.75
Coralville	1,315,560.73	Oskaloosa	78,401.05
Council Bluffs	1,742,579.03	Ottumwa	227,132.41
Davenport	1,388,190.33	Pella	224,553.63
Decorah	203,178.74	Polk County	176,873.29
Denison	71,915.18	Sergeant Bluff	18,972.13
Des Moines	2,971,954.57	Sioux Center	6,925.99
Dewitt	22,404.19	Sioux City	776,752.36
Dickinson County	62,468.97	Spirit Lake	70,687.63
Dubuque	963,984.75	Story City	31,145.62
Dyersville	48,457.04	Toledo	36,761.74
Elk Horn	9,289.65	Urbandale	880,760.81
Evansdale	41,472.53	Wahpeton	26,382.06
Forest City	43,098.22	Walcott	52,046.56
Fort Dodge	272,769.93	Waterloo	678,470.44
Fort Madison	106,227.89	West Des Moines	1,528,823.05
Grinnell	58,919.11	West Union	25,020.35
Guttenberg	9,917.49	Williamsburg	57,661.83
Indianola	45,810.12	Windsor Heights	15,421.98
		TOTALS	\$24,184,444.93

* Listed jurisdictions are cities unless otherwise noted

REGULAR LOCAL OPTION DISTRIBUTIONS

Fiscal Year 2002

ALLAMAKEE	
Waukon	241,480.39
Lansing	60,557.04
Postville	126,320.69
New Albin	30,744.52
Harpers Ferry	18,649.16
Waterville	7,587.26
Unincorporated	487,304.85
TOTAL	972,643.91

APPANOOSE	
Mystic	26,721.38
Plano	2,181.73
TOTAL	28,903.11

AUDUBON	
Audubon	159,060.92
Brayton	8,241.60
Gray	4,729.37
TOTAL	172,031.89

BLACK HAWK	
Waterloo	7,083,693.51
Cedar Falls	3,327,082.62
Evansdale	386,706.78
Elk Run Heights	91,321.00
Hudson	191,781.04
La Porte City	205,187.99
Dunkerton	67,396.99
Janesville	9,670.93
Gilbertville	68,296.88
Raymond	46,448.06
Unincorporated	2,117,303.70
TOTAL	13,594,889.50

BOONE	
Boone	739,950.71
Madrid	124,029.42
Ogden	103,923.45
Beaver	2,857.94
Berkley	1,171.87
Boxholm	11,451.25
Fraser	6,662.65
Luther	8,156.26
Pilot Mound	10,502.67
Sheldahl	1,394.84
Unincorporated	615,622.13
TOTAL	1,625,723.19

BREMER	
Sumner	141,840.59
Tripoli	85,514.94
Denver	111,025.98
Janesville	48,041.78
Readlyn	54,912.28
Frederika	11,681.71
Plainfield	28,356.10
TOTAL	481,373.38

BUCHANAN	
Jesup	152,049.98
Fairbank	54,253.09
Hazleton	54,459.39
Lamont	31,046.64
Winthrop	49,832.41
Aurora	12,536.10
Brandon	18,422.36
Quasqueton	33,197.47
Rowley	18,464.72
Stanley	8,031.74
TOTAL	432,293.90

BUENA VISTA	
Storm Lake	733,542.63
Alta	126,035.08
Albert City	55,142.65
Marathon	22,146.94
Newell	61,509.03
Sioux Rapids	50,988.42
Lakeside	33,859.82
Rembrandt	14,349.83

Truesdale	6,104.86
Linn Grove	13,802.58
Unincorporated	533,665.97
TOTAL	1,651,147.81

BUTLER	
Clarksville	51,278.41
Greene	43,118.74
Parkersburg	71,076.07
Shell Rock	48,701.08
Allison	39,047.69
Aplington	36,625.20
Dumont	25,076.98
New Hartford	25,834.03
Aredale	3,475.68
Bristow	6,781.11
Unincorporated	294,492.01
TOTAL	645,507.00

CASS	
Atlantic	532,966.10
Anita	70,080.87
Griswold	72,252.67
Lewis	28,520.74
Cumberland	19,206.53
Marne	9,778.58
Massena	28,145.35
Wiota	10,025.13
Unincorporated	423,916.34
TOTAL	1,194,892.31

CEDAR	
Tipton	143,548.09
Durant	74,065.62
Mechanicsville	52,306.35
West Branch	93,661.49
Clarence	44,914.24
Lowden	34,809.70
Stanwood	29,685.60
Bennett	17,495.59
Unincorporated	452,479.61
TOTAL	942,966.29

CERRO GORDO	
Mason City	3,289,126.64
Clear Lake	908,110.08
Ventura	70,371.16
Rockwell	106,727.91
Dougherty	8,494.73
Meservey	26,512.89
Plymouth	43,263.19
Rock Falls	16,714.07
Swaledale	18,852.01
Thornton	45,637.33
Unincorporated	1,233,540.17
TOTAL	5,767,350.18

CHEROKEE	
Cherokee	155,551.76
Marcus	70,177.66
Aurelia	61,237.61
Cleghorn	14,627.23
Larrabee	7,994.92
Meriden	10,046.06
Quimby	20,563.12
Washta	14,766.59
Unincorporated	167,855.31
TOTAL	522,820.26

CHICKASAW	
New Hampton	313,310.68
Nashua	126,387.88
Fredericksburg	71,533.10
Lawler	35,225.07
Alta Vista	21,691.04
Bassett	5,287.26
Ionia	20,411.09
North Washington	8,676.89
Unincorporated	584,161.62
TOTAL	1,186,684.63

CLARKE	
Osceola	335,384.49
Murray	51,549.46
Woodburn	15,454.00
Unincorporated	317,225.68
TOTAL	719,613.63

CLAY	
Spencer	1,258,370.32
Everly	71,777.06
Peterson	38,624.16
Dickens	20,566.37
Fostoria	22,839.72
Greenville	9,016.88
Rossie	5,495.74
Royal	49,511.76
Webb	16,679.82
Gillett Grove	5,409.71
Clay County	619,022.30
TOTAL	2,117,313.84

CLAYTON	
Elkader	83,282.89
Guttenberg	115,375.40
Monona	85,184.76
Strawberry Point	75,266.92
Edgewood	16,434.50
Garnaville	43,346.23
Marquette	23,453.60
Mcgregor	47,655.34
Elkport	4,374.44
Farmersburg	15,791.80
Garber	5,073.90
Littleport	1,452.23
Luana	12,953.25
N Buena Vista	6,168.52
Saint Olaf	7,505.65
Volga	13,002.35
Millville	1,111.94
Unincorporated	599,935.05
TOTAL	1,157,368.77

CLINTON	
Clinton	2,473,638.22
Dewitt	416,182.59
Camanche	359,118.39
Delmar	42,312.60
Grand Mound	51,640.48
Lost Nation	39,033.82
Wheatland	59,262.90
Andover	6,648.00
Calamus	31,447.59
Charlotte	31,788.40
Goose Lake	17,518.27
Low Moor	18,542.10
Toronto	9,978.89
Welton	12,139.42
Unincorporated	1,157,245.82
TOTAL	4,726,497.49

CRAWFORD	
Dension	432,563.86
Charter Oak	32,119.48
Dow City	28,135.63
Manilla	47,787.15
Schleswig	49,495.79
Vail	25,226.35
Arion	7,266.15
Aspinwall	3,401.81
Buck Grove	2,718.41
Deloit	15,734.96
Kiron	15,604.79
Ricketts	7,934.38
Westside	19,560.06
Unincorporated	456,736.40
TOTAL	1,144,285.22

DALLAS	
Perry	680,516.25
Redfield	66,907.12

Bouton	10,428.28
Minburn	33,360.28
TOTAL	791,211.93

DECATUR	
Lamoni	87,235.42
Leon	74,775.18
Davis City	9,126.26
Decatur City	6,495.02
Garden Grove	8,212.11
Grand River	7,291.13
Leroy	443.72
Pleasanton	1,170.89
Van Wert	7,567.54
Weldon	4,706.68
Unincorporated	151,629.60
TOTAL	358,653.55

DELAWARE	
Manchester	358,763.56
Earlville	58,071.92
Edgewood	42,623.37
Hopkinton	46,379.98
Colesburg	29,308.29
Delaware	11,803.46
Delhi	30,849.74
Dundee	10,967.91
Dyersville	4,095.40
Greeley	17,689.70
Masonville	7,124.03
Elkport	27,393.98
Ryan	761,085.38
Unincorporated	761,085.38
TOTAL	1,406,156.72

DES MOINES	
Burlington	3,070,780.99
Mediapolis	168,459.07
West Burlington	378,956.86
Middletown	96,503.57
Danville	50,349.01
Unincorporated	1,339,935.22
TOTAL	5,104,984.72

DICKINSON	
Milford	315,296.90
Spirit Lake	586,476.84
Arnolds Park	169,300.56
Lake Park	134,044.00
Okoboji	125,117.01
Orleans	75,094.72
Superior	20,997.76
Terrill	50,815.77
Wahpeton	63,379.38
West Okoboji	52,392.34
Unincorporated	855,290.51
TOTAL	2,448,205.79

DUBUQUE	
Dubuque	6,388,674.44
Cascade	155,452.32
Dyersville	396,805.92
Epworth	135,414.94
Farley	133,267.39
Asbury	230,503.26
Balltown	6,494.11
Bankston	2,340.50
Bernard	9,408.16
Centralia	8,755.22
Graf	6,705.09
Holy Cross	32,401.41
Luxemburg	24,309.36
New Vienna	39,555.99
Peosta	57,122.03
Sageville	17,597.11
Sherrill	16,254.77
Worthington	38,781.73
Zwingle	7,504.14
Rickardsville	16,984.22
Unincorporated	2,576,077.46
TOTAL	10,300,409.57

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REGULAR LOCAL OPTION DISTRIBUTIONS

Fiscal Year 2002

EMMET	Goodell	8,044.17	Williamsburg	265,476.02	Central City	57,461.27		
Armstrong	Woden	11,444.70	Victor	86,895.98	Hiawatha	318,733.99		
Ringsted	Unincorporated	300,412.16	Ladora	27,727.13	Lisbon	95,712.19		
TOTAL	TOTAL	668,245.50	Millersburg	17,215.81	Mount Vernon	190,329.99		
FAYETTE	HARDIN	Iowa Falls	415,657.76	Parnell	20,698.28	Coggon	37,016.40	
Oelwein	Ackley	126,000.48	Eldora	231,305.12	Unincorporated	1,075,061.58		
Fayette	Alden	67,797.74	Hubbard	63,059.14	TOTAL	1,838,286.20		
West Union	Hubbard	63,059.14	Radcliffe	42,058.61	JACKSON	Maquoketa	377,449.47	
Arlington	Buckeye	8,093.23	Buckeye	8,093.23	Bellevue	145,130.02		
Clermont	New Providence	15,524.82	New Providence	15,524.82	Preston	56,477.73		
Elgin	Owasa	2,840.20	Owasa	2,840.20	Sabula	38,276.44		
Fairbank	Steamboat Rock	25,094.86	Steamboat Rock	25,094.86	Andrew	25,214.50		
Hawkeye	Union	30,028.95	Union	30,028.95	Baldwin	7,135.62		
Maynard	Whitton	11,054.86	Whitton	11,054.86	Lamotte	15,639.72		
Randalia	Unincorporated	535,848.92	Unincorporated	535,848.92	Miles	27,287.58		
St. Lucas	TOTAL	1,574,364.69	TOTAL	1,574,364.69	Monmouth	9,888.16		
Wadena	HARRISON	Dunlap	82,948.41	Spragueville	5,198.96	Springbrook	10,339.00	
Waucoma	Logan	110,531.95	Logan	110,531.95	Zwingle	894.27		
Westgate	Missouri Valley	213,077.09	Missouri Valley	213,077.09	St Donatus	7,778.53		
Unincorporated	Woodbine	103,934.30	Woodbine	103,934.30	Unincorporated	649,310.51		
TOTAL	Little Sioux	12,931.53	Little Sioux	12,931.53	TOTAL	1,376,020.51		
1,510,791.69	Magnolia	12,466.86	Magnolia	12,466.86	JEFFERSON	Fairfield	636,331.21	
FLOYD	Modale	22,201.40	Modale	22,201.40	Batavia	30,508.47		
Charles City	Mondamin	26,187.07	Mondamin	26,187.07	Libertyville	19,959.43		
Nora Springs	Rudd	21,847.62	Rudd	21,847.62	Lockridge	16,412.76		
Rockford	Persia	14,086.00	Persia	14,086.00	Packwood	14,086.00		
Colwell	Pisgah	18,864.25	Pisgah	18,864.25	Pleasant Plain	7,627.87		
Floyd	TOTAL	624,990.48	TOTAL	624,990.48	Unincorporated	479,529.39		
Marble Rock	HENRY	Mt Pleasant	512,409.01	Unincorporated	1,204,455.13	JONES	Anamosa	267,255.15
Ruddle	New London	110,656.24	New London	110,656.24	Monticello	200,237.72		
Unincorporated	Wayland	56,015.10	Wayland	56,015.10	Cascade	16,437.29		
TOTAL	Winfield	63,697.83	Winfield	63,697.83	Olin	36,869.09		
1,084,538.25	Coppock	2,076.49	Coppock	2,076.49	Oxford Junction	29,162.87		
FRANKLIN	Hillsboro	11,096.55	Hillsboro	11,096.55	Wyoming	32,512.01		
Hampton	Mount Union	7,496.23	Mount Union	7,496.23	Center Junction	6,586.20		
Sheffield	Olds	13,889.60	Olds	13,889.60	Morley	4,203.25		
Dows	Rome	5,940.25	Rome	5,940.25	Onslow	10,818.72		
Alexander	Salem	24,367.97	Salem	24,367.97	Unincorporated	548,497.38		
Coulter	Westwood	7,330.38	Westwood	7,330.38	TOTAL	1,152,579.68		
Geneva	Unincorporated	554,712.05	Unincorporated	554,712.05	KOSSUTH	Algona	410,140.80	
Hansell	TOTAL	1,369,687.70	TOTAL	1,369,687.70	Bancroft	54,579.04		
Latimer	HOWARD	Cresco	226,449.98	Burt	35,596.89	Lu Verne	17,691.15	
Popejoy	Elma	32,152.21	Elma	32,152.21	Swea City	44,822.80		
Unincorporated	Lime Springs	27,345.40	Lime Springs	27,345.40	Titonka	38,534.45		
TOTAL	Riceville	15,990.07	Riceville	15,990.07	Wesley	32,295.09		
628,192.79	Chester	8,568.05	Chester	8,568.05	West Bend	1,115.40		
FREMONT	Protivin	16,437.99	Protivin	16,437.99	Whittemore	35,151.05		
Hamburg	Unincorporated	318,905.74	Unincorporated	318,905.74	Fenton	21,072.35		
Sidney	TOTAL	645,849.44	TOTAL	645,849.44	Lakota	16,110.13		
Tabor	HOWARD	Cresco	226,449.98	Ledyard	9,913.22	Lone Rock	10,423.94	
Farragut	Elma	32,152.21	Elma	32,152.21	Unincorporated	606,589.22		
Imogene	Lime Springs	27,345.40	Lime Springs	27,345.40	TOTAL	1,334,035.53		
Randolph	Riceville	15,990.07	Riceville	15,990.07	LEE	Fort Madison	864,621.66	
Riverton	Chester	8,568.05	Chester	8,568.05	Keokuk	936,468.30		
Thurman	Protivin	16,437.99	Protivin	16,437.99	Donnellson	67,790.86		
Unincorporated	Unincorporated	318,905.74	Unincorporated	318,905.74	Montrose	65,878.53		
TOTAL	TOTAL	645,849.44	TOTAL	645,849.44	West Point	68,237.14		
389,432.31	HUMBOLDT	Gilmore City ** (46) 76	12,745.46	Franklin	8,933.23	St. Paul	8,506.98	
CITY OF SHENANDOAH	Livermore	17,420.12	Livermore	17,420.12	Houghton	10,710.88		
Shenandoah	Lu Verne ** 46 (55)	1,734.52	Lu Verne ** 46 (55)	1,734.52	Unincorporated	1,193,306.34		
TOTAL	Bode	13,049.31	Bode	13,049.31	TOTAL	3,224,453.92		
136,265.62	Bradgate	4,004.31	Bradgate	4,004.31	LINN	Cedar Rapids	6,942,915.22	
GRUNDY	Hardy	2,358.05	Hardy	2,358.05	Marion	1,336,826.81		
Grundy Center	Ottosen	2,527.81	Ottosen	2,527.81	Center Point	101,637.34		
Dike	Pioneer	839.54	Pioneer	839.54	MARSHALL	Marshalltown	2,301,384.46	
Wellsburg	Renwick	12,287.50	Renwick	12,287.50	State Center	104,446.31		
Beaman	Rutland	5,690.73	Rutland	5,690.73	Albion	45,597.36		
Holland	Thor	6,903.50	Thor	6,903.50	Gilman	46,054.63		
Morrison	Unincorporated	168,226.58	Unincorporated	168,226.58	Melbourne	60,521.75		
Stout	TOTAL	247,787.43	TOTAL	247,787.43	Clemons	10,999.35		
Unincorporated	IDA	Galva	35,673.56	Galva	35,673.56	Ferguson	9,400.79	
TOTAL	Galva	35,673.56	Galva	35,673.56	Laurel	20,472.23		
507,279.35	IOWA	Marengo	250,798.50	Marengo	250,798.50	LeGrand	66,483.88	
HANCOCK	North English	94,412.90	North English	94,412.90	Liscomb	20,680.14		
Britt	MARSHALL	Marshalltown	2,301,384.46	Marshalltown	2,301,384.46	Rhodes	21,881.73	
Garner	State Center	104,446.31	State Center	104,446.31	Saint Anthony	8,124.58		
Kanawha	Albion	45,597.36	Albion	45,597.36	Haverhill	12,418.73		
Klemme	Gilman	46,054.63	Gilman	46,054.63	Unincorporated	940,889.69		
Corwith	Melbourne	60,521.75	Melbourne	60,521.75	TOTAL	3,669,355.63		
Crystal Lake	Clemons	10,999.35	Clemons	10,999.35	MILLS	Glenwood	88,951.72	
	Ferguson	9,400.79	Ferguson	9,400.79	Malvern	48,387.67		
	Laurel	20,472.23	Laurel	20,472.23	Emerson	17,324.53		
	LeGrand	66,483.88	LeGrand	66,483.88				
	Liscomb	20,680.14	Liscomb	20,680.14				
	Rhodes	21,881.73	Rhodes	21,881.73				
	Saint Anthony	8,124.58	Saint Anthony	8,124.58				
	Haverhill	12,418.73	Haverhill	12,418.73				
	Unincorporated	940,889.69	Unincorporated	940,889.69				
	TOTAL	3,669,355.63	TOTAL	3,669,355.63				

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REGULAR LOCAL OPTION DISTRIBUTIONS

Fiscal Year 2002

Pacific Junction 7,680.62
 Tabor 2,304.09
 Henderson 6,408.70
 Unincorporated 132,309.84
TOTAL 171,057.33

MITCHELL

Osage 260,252.55
 St. Ansgar 80,264.20
 Riceville 40,788.44
 Stacyville 33,792.25
 Carpenter 9,094.27
 Mcintire 11,974.25
 Mitchell 10,813.62
 Orchard 6,019.93
 Unincorporated 466,887.30
TOTAL 919,886.81

MONONA

Onawa 160,227.77
 Mapleton 71,913.96
 Ute 18,978.35
 Whiting 36,579.17
 Blencoe 11,760.40
 Castana 8,514.80
 Moorhead 11,442.68
 Rodney 3,614.81
 Soldier 10,036.26
 Turin 3,598.46
 Unincorporated 269,692.84
TOTAL 606,359.50

MONTGOMERY

Red Oak 409,890.14
 Villisca 78,592.31
 Stanton 41,256.41
 Coburg 1,740.68
 Elliott 23,535.76
 Grant 5,742.61
 Unincorporated 275,362.17
TOTAL 836,120.08

MUSCATINE

Muscatine 2,007,545.43
 West Liberty 280,302.46
 Wilton 236,142.11
 Atalissa 21,279.44
 Conesville 31,403.34
 Nichols 28,652.33
 Stockton 13,885.73
 Fruitland 51,823.46
 Unincorporated 1,253,418.63
TOTAL 3,924,452.93

O'BRIEN

Sheldon 329,272.56
 Hartley 102,088.25
 Paulina 74,667.03
 Primghar 55,390.08
 Sanborn 84,506.10
 Sutherland 43,189.93
 Archer 7,824.94
 Calumet 10,963.39
 Unincorporated 373,159.69
TOTAL 1,081,061.97

PAGE

Clarinda 313,764.98
 Shenandoah 303,106.86
 Essex 46,032.10
 Blanchard 3,013.18
 Braddyville 8,672.99
 Coin 12,297.38
 College Springs 11,860.38
 Hepburn 1,820.97
 Northboro 2,880.05
 Shambaugh 8,914.74
 Yorktown 3,953.62
 Unincorporated 296,626.35
TOTAL 1,012,943.60

PALO ALTO

Emmetsberg 211,525.96
 Graettinger 45,576.28
 Ruthven 36,850.08
 West Bend 41,522.96
 Ayrshire 9,897.07
 Curlew 3,067.19
 Cylinder 5,660.21
 Mallard 15,956.07
 Rodman 2,895.14
 Unincorporated 238,776.37
TOTAL 611,727.33

PLYMOUTH

LeMars 266,905.15
 Akron 41,307.00
 Kingsley 80,282.89
 Remsen 48,440.25
 Merrill 43,884.92
 Brunsville 3,950.76
 Craig 2,677.20
 Hinton 51,307.42
 Oyens 7,460.72
 Struple 4,475.50
 Westfield 9,951.11
 Unincorporated 315,932.07
TOTAL 560,642.92

POCAHONTAS

Fonda 21,515.46
 Laurens 48,696.08
 Gilmore City 7,240.35
 Rolfe 22,418.18
 Havelock 5,753.43
 Palmer 6,807.44
 Varina 2,849.23
 Unincorporated 140,500.63
TOTAL 255,780.80

POLK

Polk City 924,837.77
 Sheldahl 55,075.24
TOTAL 979,913.01

POTTAWATTAMIE

Council Bluffs 6,159,588.56
 Avoca 153,715.64
 Carter Lake 310,849.15
 Oakland 137,064.93
 Carson 64,265.02
 Neola 79,093.94
 Walnut 77,147.00
 Crescent 44,902.87
 Hancock 19,669.54
 Macedonia 29,756.08
 McClelland 11,880.69
 Minden 53,361.46
 Treynor 94,040.00
 Underwood 63,072.18
 Unincorporated 2,393,045.05
TOTAL 9,691,452.11

SCOTT

Davenport 11,793,209.91
 Bettendorf 3,459,716.28
 Buffalo 159,584.18
 Durant 3,568.90
 LeClaire 318,289.91
 Blue Grass 127,843.86
 Eldridge 459,844.14
 Princeton 99,862.57
 Walcott 168,914.11
 Dixon 28,305.83
 Donahue 31,805.31
 Long Grove 61,436.62
 Maysville 17,242.03
 McCausland 32,351.14
 New Liberty 11,818.86
 Panorama Park 11,765.52
 Riverdale 104,072.91

Unincorporated 3,115,743.23
TOTAL 20,005,375.31

SHELBY

Harlan 0.00
 Elk Horn 32,162.17
 Shelby 33,307.33
 Defiance 17,490.38
 Earling 23,341.40
 Irwin 23,371.21
 Kirkman 3,552.40
 Portsmouth 10,728.81
 Tennant 3,649.21
 Westphalia 7,748.80
TOTAL 155,351.71

SIoux

Hawarden 177,229.31
 Alton 78,074.53
 Hull 138,649.82
 Orange City 389,048.04
 Rock Valley 186,997.50
 Sioux Center 396,204.80
 Boyden 47,068.06
 Hospers 45,824.45
 Ireton 41,360.21
 Chatsworth 5,417.69
 Granville 21,770.43
 Matlock 5,516.80
 Maurice 16,457.19
 Sheldon 5,058.88
 Unincorporated 859,343.27
TOTAL 2,414,020.98

STORY

Ames 4,713,368.38
 Nevada 638,820.37
 Story City 294,410.50
 Cambridge 69,493.76
 Colo 76,565.37
 Maxwell 70,428.16
 Roland 115,153.60
 Slater 123,726.69
 Zearing 53,838.43
 Collins 44,597.70
 Gilbert 86,979.27
 Kelley 26,660.99
 Huxley 203,747.10
 Mccallsburg 28,771.80
 Sheldahl 12,863.53
 Unincorporated 1,485,496.43
TOTAL 8,044,922.08

TAYLOR

Clearfield (Multiple co 80) 10,509.03
 New Market 12,085.55
 Blockton 5,025.71
 Gravity 4,773.17
TOTAL 32,393.46

VAN BUREN

Keosauqua 80,568.10
TOTAL 80,568.10

WAPELLO

Ottumwa 2,123,767.89
 Eldon 73,460.30
 Eddyville 64,793.16
 Agency 47,422.55
 Blakesburg 27,487.05
 Chillicothe 3,277.20
 Kirksville 15,112.51
 Unincorporated 964,455.99
TOTAL 3,319,776.65

WEBSTER

Fort Dodge 1,300,118.34
 Gowrie 50,466.92
 Dayton 42,619.54
 Lehigh 24,742.93
 Otho 25,640.93

Stratford 1,372.55
 Badger 28,275.61
 Barnum 8,985.98
 Callendar 19,296.17
 Clare 9,476.89
 Duncombe 22,032.47
 Harcourt 15,308.67
 Moorland 9,534.50
 Vincent 8,601.86
 Unincorporated 579,313.64
TOTAL 2,145,787.00

WINNEBAGO

Forest City 250,111.56
 Buffalo Center 57,717.65
 Lake Mills 125,955.46
 Thompson 33,887.66
 Leland 14,053.40
 Rake 14,193.80
 Scarville 5,136.81
 Unincorporated 261,183.94
TOTAL 762,240.28

WINNESHIEK

Decorah 645,537.13
 Calmar 79,804.46
 Ossian 65,463.69
 Castalia 12,462.89
 Fort Atkinson 27,021.21
 Jackson Junction 4,438.07
 Ridgeway 20,219.49
 Spillville 28,067.96
 Unincorporated 972,790.06
TOTAL 1,855,804.96

WOODBURY

Sioux City 8,336,720.66
 Merville 132,092.81
 Anthon 56,234.00
 Correctionville 72,388.31
 Danbury 34,044.95
 Sergeant Bluff 278,406.09
 Sloan 88,678.69
 Cushing 20,824.54
 Hornick 21,839.52
 Lawton 58,255.65
 Oto 12,144.16
 Pierson 32,610.21
 Salix 31,141.94
 Smithland 18,554.08
 Bronson 22,591.79
 Unincorporated 1,654,020.73
TOTAL 10,870,548.13

WORTH

Manly 53,994.52
 Northwood 86,020.77
 Fertile 14,031.71
 Grafton 11,440.72
 Hanlontown 9,709.65
 Joice 9,492.13
 Kensett 11,268.08
 Unincorporated 184,631.95
TOTAL 380,589.53

WRIGHT

Clarion 156,631.67
 Eagle Grove 207,637.28
 Belmond 137,516.63
 Dows 29,145.22
 Goldfield 36,971.83
 Galt 1,534.03
 Rowan 10,689.82
 Woolstock 11,580.14
 Unincorporated 260,135.47
TOTAL 851,842.09

GRAND TOTAL 169,778,321.25

SCHOOL LOCAL OPTION DISTRIBUTIONS

Fiscal Year 2002

BLACK HAWK

Cedar Falls	3,315,155.41
Denver	98,683.69
Dike-New Hartford	8,480.63
Dunkerton	386,562.53
Gladbrook-Reinbeck	31,609.61
Hudson	591,408.30
Independence	0.00
Janesville	159,744.23
Jesup	104,080.45
Union	492,647.52
Vinton-Shellsburg	0.00
Wapsie Valley	18,503.20
Waterloo	8,414,327.02
Waverly-Shell Rock	1,541.94
Total Black Hawk Co.	13,622,744.53

CLINTON

Calamus Wheatland	244,919.08
Camanche	447,074.51
Central Clinton	818,535.12
Clinton	2,272,985.14
Delwood	142,383.51
East Central	59,188.77
Maquoketa	971.91
Midland	88,443.01
Northeast	334,333.98
Preston	9,233.06
Total Clinton Co.	4,418,068.09

DES MOINES

Burlington	3,619,307.70
Danville	324,351.47
Fort Madison	20,605.02
Mediapolis	684,299.89
Morning Sun	14,210.36
New London	12,789.32
Wapello	1,421.04
West Burlington	355,969.52
Winfield-Mt. Union	3,552.59
Total Des Moines Co.	5,036,506.91

DICKINSON

Clay Central-Everly	6,242.93
Estherville-Lincoln-Central	31,214.68
Harris-Lake Park	210,476.07
Hartley-Melvin-Sanborn	891.84
Okoboji	898,982.58
Spirit Lake	1,120,071.64
Terril	130,834.07
Total Dickinson Co.	2,398,713.81

EMMET

Armstrong-Ringsted	144,392.57
Estherville Lincoln Central	590,934.27
Graettinger	15,744.93
Terril	4,608.28
Total Emmet Co.	755,680.05

FREMONT

Farragut	142,769.78
Fremont-Mills	159,013.05
Hamburg	134,098.57
Shenandoah	19,540.77
Sidney	168,702.03
Total Fremont Co.	624,124.20

JONES

Anamosa	211,659.42
Lisbon	2,804.40
Midland	79,609.36
Monticello	166,918.67
Mount Vernon	2,107.35
North Cedar	3,242.08
Olin	53,461.96
Western Dubuque	23,505.11
Total Jones Co.	543,308.35

LEE

Central Lee	569,448.57
Fort Madison	1,396,979.18
Harmony	27,625.08
Keokuk	1,233,619.31
Mt. Pleasant	7,968.77
Total Lee Co.	3,235,640.91

MAHASKA

Eddyville-Blakesburg	29,853.08
Fremont	36,012.61
Lynnville-Sully	1,026.59
North Mahaska	117,051.23
Oskaloosa	545,198.78
Pella	39,215.55
Tri-County	2,258.48
Twin Cedars	8,212.68
Total Mahaska Co.	711,936.72

MONONA

Boyer Valley	3,826.78
Charter Oak-Ute	34,788.97
East Monona	62,167.89
Maple Valley	154,463.02
West Harrison	0.00
West Monona	241,087.54
Westwood	18,438.15
Whiting	86,415.79
Woodbine	0.00
Total Monona Co.	601,188.14

MONTGOMERY

Essex	377.77
Griswold	57,799.94
Nishna Valley	2,644.45
Red Oak	529,832.78
Shenandoah	0.00
Stanton	101,622.12
Villisca	140,230.97
Total Montgomery Co.	832,508.03

MUSCATINE

Columbus	72,064.07
Davenport	46,147.11
Durant	57,893.65
Louisa-Muscatine	181,232.29
Muscatine	2,601,158.81
West Liberty	536,704.88
Wilton	367,079.28
Total Muscatine Co.	3,862,280.09

PAGE

Clarinda	374,962.71
Essex	102,406.08
New Market	3,731.68
Red Oak	717.63
Shenandoah	374,245.07
South Page	131,900.75
Stanton	3,588.16
Villisca	7,535.14
Total Page Co.	624,124.51

POLK

Ankeny	5,039,175.99
Ballard	8,300.07
Bondurant-Farrar	768,706.92
Carlisle	227,387.15
Collins-Maxwell	44,094.08
Dallas Center	870,296.24
Des Moines	27,686,763.57
Johnston	3,445,131.52
Madrid	34,583.59
North Polk	752,366.17
PCM (Prairie City-Monroe)	2,593.77
Saydel	1,257,978.37
Southeast Polk	3,865,927.45
Urbandale	2,786,313.99
West Des Moines	7,479,221.71
Woodward	60,521.29
Total Polk Co.	54,329,361.88

SCOTT

Bennett	62,900.75
Bettendorf	3,068,110.98
Calamus Wheatland	35,426.86
Davenport	12,491,873.57
Durant	67,961.73
North Scott	2,122,430.62
Pleasant Valley	2,245,557.04
Total Scott Co.	20,094,261.55

SHELBY

A-H-S-T	75,711.52
Boyer Valley	3,817.38
Elk Horn-Kimballton	64,259.35
Harlan	534,529.61
IKM	76,252.30
Manning	8,907.24
Tri-Center	5,726.08
Walnut	10,497.81
Woodbine	1,272.46
Total Shelby Co.	780,973.75

WEBSTER

Eagle Grove	18,390.91
Fort Dodge	1,576,578.64
Gilmore City-Bradgate	3,678.19
Humboldt	11,586.26
Manson NW Webster	130,980.01
Prairie Valley	241,362.23
Southeast Webster	199,430.97
Stratford	11,402.35
Webster City	51,862.35
Total Webster Co.	2,245,271.91

WINNESHIEK

Allamakee	18,039.63
Decorah	864,699.57
Howard-Winneshiek	124,309.44
North Winneshiek	208,494.38
Postville	56,305.50
South Winneshiek	400,917.10
Turkey Valley	97,140.68
Total Winneshiek Co.	1,769,906.30

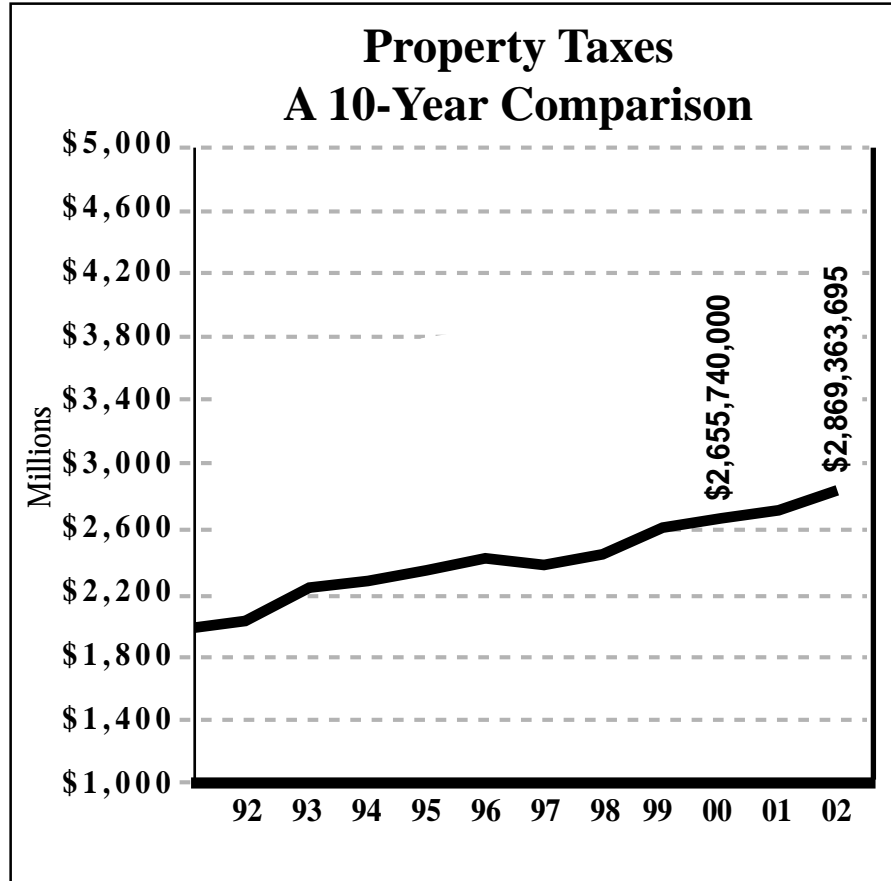
WOODBURY

Anthon-Oto	189,890.51
Battle Creek-Ida Grove	5,261.75
Kingsley-Pierson	76,704.55
Lawton-Bronson	375,396.24
Maple Valley	94,126.75
River Valley	178,431.61
Sergeant Bluff-Luton	706,827.67
Sioux City	8,517,536.58
Westwood	396,033.97
Woodbury Central	367,795.94
Total Woodbury Co.	10,908,005.57

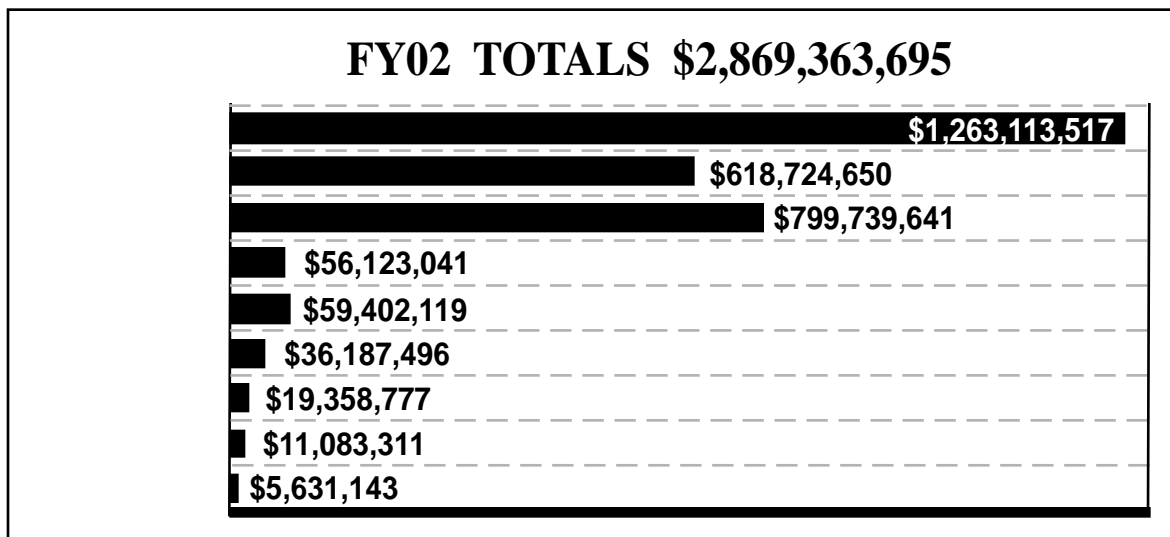
GRAND TOTAL: 127,836,460.29

PROPERTY TAXES

Ten-Year Comparison



FY 02 Property Tax Levied By Type of Taxing Authority



LOCAL GOVERNMENT SERVICES

FY 02 Assistance Programs

PROGRAM	DESCRIPTION	ELIGIBILITY	FILING REQUIREMENTS
<i>FY 02 Payments</i>			
Homestead Credit \$110,933,152.00	Originally adopted to encourage home ownership through property tax relief. The current credit is equal to the actual tax levy on the first \$4,850 of actual value.	Must own and occupy the property as a homestead on July 1 of each year, declare residency in Iowa for income tax purposes and occupy the property for at least six months each year. Persons in the military or nursing homes who do not occupy the home are also eligible.	Claim must be filed on or before July 1. Claim is allowed for successive years without further filing as long as eligible.
Disabled and Senior Citizens Property Tax Credit/Rent Reimbursement \$16,252,271.32 <i>In prior reports, the amount was for rent reimbursement only. This year's amount includes both programs.</i>	Incorporated into the Homestead Tax Law to provide property tax or rent relief to elderly homeowners and homeowners with disabilities.	Must be 65 or older or totally disabled, and have household income of less than \$16,863.	A property owner must file a claim with the county treasurer by June 1 preceding the fiscal year in which the property taxes are due. Renters must file with the Department of Revenue and Finance by June 1 to claim reimbursement for rent paid in the prior calendar year. The director or county treasurer may grant extensions of time to file.
Mobile Home Reduced Tax Rate \$102,240.00	Enacted as a supplement to the Disabled and Senior Citizens Property Tax Credit. The objective is to provide mobile and manufactured home owners with equivalent aid.	Must be an Iowa resident, 23 or older. Household income must be less than \$16,683.	On or before June 1 of each year, each mobile and manufactured home owner eligible for a reduced tax rate must file a claim with the county treasurer. The county treasurer or the director may grant an extension of time to file.
Special Assessment Credit \$39,463.00	Established in conjunction with the Disabled and Senior Citizens Property Tax Credit. The credit gives 100 percent assistance to qualified homeowners who are required to pay special assessments.	Requirements parallel those for the disabled and senior citizens property tax credit. Household income cannot exceed \$8,687.	The claimant must file a claim with the county treasurer by September 30 of each year.

Local Government Services, continued

PROGRAM	DESCRIPTION	ELIGIBILITY	FILING REQUIREMENTS
<i>FY02 Payments</i>			
Pollution Control and Recycling Exemption <i>exemption only</i>	Provides an exemption for certain pollution control and recycling property.	Exemption is limited to market value of property used primarily for pollution control or recycling. Must be certified as eligible by the Department of Natural Resources.	Application must be filed with the assessor no later than February 1.
Impoundment Structures Exemption <i>exemption only</i>	Provides an exemption for impoundment structures and land underlying an impoundment located outside any incorporated city.	Not developed or used for nonagricultural income-producing purposes. Must be approved by Soil and Water Conservation District commissioners and the Department of Natural Resources.	Application must be filed with the assessor each year no later than February 1.
Low-Rent Housing Exemption <i>exemption only</i>	Provides an exemption for low-rent housing until the original housing development mortgage is paid in full or expires.	Property owned and operated by a nonprofit organization providing low-rent housing for persons at least 62 years old or the physically or mentally disabled.	Must file an application with the assessor no later than February 1. The claim is allowed on the property for successive years without further filing as long as the property is used for purposes specified in the original claim.
Ag Land Credit <i>\$37,347,046.00</i>	Credit established to partially offset the school tax burden borne by agricultural real estate. Current law allows a credit for any general school fund tax in excess of \$5.40 per \$1,000 of assessed value.	All land used for agricultural or horticultural purposes in tracts of 10 acres or more and land of less than 10 acres if contiguous to qualifying land of 10 acres or more.	Land owners are not required to file a claim. The county auditor determines the amount of credit applicable to each tract of land.
Computers and Industrial Machinery and Equipment Special Valuation <i>\$16,778,684.00</i>	Computers and industrial machinery and equipment acquired after 12/31/93 are exempt from tax. If acquired prior to 1/1/94 assessed at 14% of acquisition cost in 2000, 6% in 2001, and 0% in 2002 and thereafter.	Special valuation applies to all computers but only machinery and equipment classified as industrial real estate.	Owners of industrial machinery and equipment are required to file a report with the assessor by February 15 of each year; computer owners by April 15.

Local Government Services, continued

PROGRAM	DESCRIPTION	ELIGIBILITY	FILING REQUIREMENTS
<i>FY02 Payments</i>			
Family Farm Land Credit <i>\$10,000,000.00</i>	Credit established to partially offset the school tax burden borne by agricultural real estate. Current law allows a credit for any general school fund tax in excess of \$5.40 per \$1,000 of assessed value.	All land used for agricultural or horticultural purposes in tracts of 10 acres or more and land of less than 10 acres if contiguous to qualifying land of more than 10 acres. The owner or designated person must be actively engaged in farming the land.	Claims filed with the assessor by November 1. Subsequent claims not required if eligible.
Natural Conservation and Wildlife Areas exemption only	Provides an exemption for recreational lakes, forest covers, rivers and streams, including banks, and open prairies as designated by the county board of supervisors.	Property cannot be used for economic gain. Must be at least two acres.	Application must be filed with the commissioners of the Soil and Water Conservation District by February 1 of the assessment year.
Forest and Fruit Tree Reservations exemption only	Provides an exemption for property established as a forest or fruit tree reservation.	Forest Reserve: Minimum of two acres, contain not less than 200 trees per acre. Fruit Tree Reserve: Not less than one nor more than 10 acres, contain at least 40 apples trees or 70 other fruit trees. Exemption 8 years for fruit tree reservations. Neither can be used for economic gain other than raising trees, nor shall livestock be permitted on the reservation. Must be approved by the Department of Natural Resources.	Application filed with assessor by February 1.
Property Tax Replacement <i>\$53,776,446.00</i>	Provides a form of revenue sharing and State payment to local jurisdictions for property tax not collected on personal property, livestock, and monies and credit.	Allocation formula varies for cities, counties, conference boards, county hospitals, and agricultural extension councils.	None
Military Exemption <i>\$2,644,902.00</i>	Reduces the taxable value of property for military veterans.	The amount of exemption varies. Must own the property on July 1 of each claim year.	A qualified veteran must file a claim with the local assessor by July 1. Subsequent claims need not be filed on the same property.
Native Prairie/Wetlands exemption only	Exemption for land preserved in its natural condition.	Cannot be used for economic gain. Must be certified by the Dept. of Natural Resources.	Application must be filed with assessor by February 1.

Local Government Services, continued

PROGRAM	DESCRIPTION	ELIGIBILITY	FILING REQUIREMENTS
<i>FY02 Payments</i>			
Wildlife Habitat exemption only	Exemption for land used to provide wildlife refuge.	Must be classified as agricultural real estate; cannot exceed two acres, and must be certified by the Dept. of Natural Resources.	Owner must receive certification from the Department of Natural Resources, which must notify the assessor of eligibility.
Religious, Educational and Charitable Property exemption only	Exemption for property used for religious, education or charitable purposes.	Cannot be used for profit. Limited to 320 acres.	Application must be filed with assessor by February 1. No further application is needed if use remains unchanged.
Speculative Shell Buildings exemption only	Value added exemption to encourage local business development. Subject to approval by city council or county board of supervisors.	Available to community development organizations, not-for-profit cooperative associations and for-profit entities. Terminates when building is leased or sold.	Application must be filed with the assessor by February 1 for each project.
Methane Gas Conversion Property exemption only	Promotes environmental purposes.	Property must be used in connection with a publicly-owned sanitary landfill.	Application must be filed annually with the assessor by February 1.
Urban Revitalization exemption only	Value added exemption to encourage development in urban areas. Subject to approval of city council or county board of supervisors.	Must have increased the value of the property to which added by at least 10% or the percent established by local officials. The percent and the length of time over which the exemption applies varies with schedule adopted by local officials.	Application must be filed with the assessor by February 1 of the year the value is added.
Industrial Property, Research-Service Facilities, Warehouses, Distribution Centers and Cattle Facilities exemption only	Value added exemption to encourage industrial and commercial development. Subject to approval by city councils and county boards of supervisors.	Partial exemption for five years. The percent varies each year. Cattle facilities must be owner-operated.	Application must be filed with assessor by February 1 of the year the value is added.
Wind Energy Property exemption only	Promotes energy conservation. Subject to approval of city councils or county boards of supervisors.	Must be used to convert wind energy to electrical energy. Exemption: 100%, first year, to 70%, last year, over 20 years.	Application must be filed with assessor by February 1 of the year the value is added.
Value-Added Agricultural Products exemption only	Promotes agricultural production.	Applies to fixtures used for cooking, refrigeration or freezing of value-added agricultural products.	No claim for exemption required.

IOWA TAX DESCRIPTIONS

As of June 30, 2002

TAX	RATE OF TAX <i>FY02 Collections</i>	DESCRIPTION	DISTRIBUTION OF FUNDS	DUE DATES OF RETURNS
Automobile Rental Tax	5% sales tax on the rental charge for certain vehicles \$2,739,970.00	This is an excise tax imposed in addition to state sales, use or local option tax on the rental of "passenger vehicles" (those designed to carry nine or fewer passengers, excluding delivery trucks, motorcycles and motorized bicycles) which are rented for a period of 60 days or less.	Road Use Tax Fund	This excise tax is to be reported and remitted on a quarterly basis. No permit other than an Iowa sales or use tax permit is required to collect this tax.
Cigarette Tax	36¢ per package of 20 45¢ per package of 25 \$87,993,979.19	The tax is imposed on the sale of cigarettes and must be paid by the person making the first sale in Iowa. Tax payment is shown by a stamp affixed to each cigarette package.	State General Fund	Tax returns must be filed by the holder of a state or manufacturer's permit or other person by the 10th day of each month for the preceding calendar month.
Corporate Income Tax	6% on first \$25,000 8% on next \$75,000 10% on next \$150,000 12% on all over \$250,000 \$228,819,399.12	The tax is imposed on the Iowa net income of corporations doing business within this state or receiving income from property in the state. For tax years on or after January 1, 1987, Iowa imposes an alternative minimum tax equal to 7.2% of Iowa tax preferences. For tax years on or after January 1, 1988, the tax is imposed on the unrelated business income of nonprofit corporations.	State General Fund	Corporation tax returns must be filed by the last day of the 4th month after the close of the tax year. Cooperatives must file a return on or before the 15th day of the 9th month following the close of the cooperative's tax year. Estimated tax payments are due from most corporations on a quarterly basis. Non-profit corporation returns with unrelated business income are due on the 15th day of the 5th month following the close of the tax year.
Drug Stamp Tax	\$5/gram of processed marijuana \$750/unprocessed marijuana plant \$250/gram of other taxable substances \$400/10 doses if not sold by weight \$241,696.00	Tax is imposed on dealers in possession of specified quantities of marijuana and other controlled substances.	State General Fund	Tax payment is required upon possession and must be evidenced by a stamp permanently affixed to the taxable substance.
Environmental Protection Charge	1¢ per gallon of petroleum products deposited in qualifying tanks \$19,683,875.80	The EPC is imposed on all deposits of petroleum products into non-exempt underground and non-exempt aboveground storage tanks in Iowa.	Iowa Comprehensive Petroleum Underground Storage Tank Fund	EPC returns must be postmarked by the last day of the month following the close of each quarter.

Iowa Tax Descriptions, continued

TAX	RATE OF TAX <i>FY02 Collections</i>	DESCRIPTION	DISTRIBUTION OF FUNDS	DUE DATES OF RETURNS
Franchise Tax	5% of taxable income \$30,914,566.80	Tax is imposed on the income of state banks, national banking associations, trust companies, federally and state chartered savings and loan associations, financial institutions chartered by the Federal Home Loan Bank Board and production credit associations. For tax years on or after January 1, 1987, Iowa imposes an alternative minimum tax equal to 3% of Iowa tax preferences.	All Franchise Tax is deposited in the State General Fund and \$8.8 million is returned to local governments on a quarterly basis as follows: 40% to counties, 60% to cities and towns.	Franchise tax returns must be filed by the last day of the 4th month after the close of the tax year. Estimated payments are due from most financial institutions on a quarterly basis. Financial institutions which have elected s-corporation status are still subject to the franchise tax and the shareholders are allowed a tax credit against their individual income tax for their share of the franchise tax paid.
Hotel/Motel Tax	May not exceed 7% \$24,184,444.93 <i>Fiscal Year 2002 Distributions</i>	Hotel/motel tax is imposed on the gross receipts from the renting of hotel or motel rooms for 31 consecutive days or less.	Local transient guest tax fund, with disbursement to the local government imposing the tax	Hotel/motel tax returns and tax are submitted with quarterly sales tax returns and are due the last day of the month following the end of each calendar quarter.
Individual Income Tax	.36% on first \$1,185 .72% on second \$1,185 2.43% on next \$2,370 4.50% on next \$5,925 6.12% on next \$7,110 6.48% on next \$5,925 6.80% on next \$11,850 7.92% on next \$17,775 8.98% on all over \$53,325 \$2,440,436,240.96	Tax is imposed on Iowa net income of individuals and estates and trusts. Individuals who have a net income of \$9,000 or more must file an Iowa income tax return. Taxpayers with a combined income of \$13,500 or less (\$9,000 or less for single taxpayers) are generally not required to pay Iowa income tax. Individuals may also be subject to the minimum tax on tax preferences and a tax on lump sum distributions from pension plans.	State General Fund	The final return and any tax owing is due by the last day of the 4th month following the close of the tax year. Individuals may be required to remit estimated tax payments quarterly. Income tax is also collected through withholding tax. Depending on the amount of tax withheld, withholding tax deposits are due annually, quarterly, monthly or semi-monthly.
Individual Income School District Surtax	Not to exceed 20% of state income tax liability. Rate is different for each school district imposing the surtax. \$45,699,593.00 <i>Calendar 2001</i>	Upon voter approval, school districts may initiate educational improvement programs where school boards may raise an additional portion of the state cost per pupil. This enrichment amount is raised through a surtax (not to exceed 20% of state income tax liability) and through an accompanying property tax.	Local school district imposing the tax	Tax is collected with the individual income tax return. Returns are due the last day of the 4th month following the end of the tax year.

Iowa Tax Descriptions, continued

TAX	RATE OF TAX <i>FY02 Collections</i>	DESCRIPTION	DISTRIBUTION OF FUNDS	DUE DATES OF RETURNS
Individual Income Emergency Medical Services Surtax	Up to 1% of state income tax liability. Only Appanoose County imposes this tax (at a rate of 1%). \$49,836.00 <i>Calendar 2001</i>	A county may impose the surtax by ordinance at the rate set by the board of supervisors not to exceed 1%.	County imposing the tax	Tax is collected with the individual income tax return. Returns are due the last day of the fourth month following the end of the tax year.
Inheritance and Estate Taxes	Inheritance Tax: From 1% to 15% dependent upon the amount of the inheritance and the relationship of the recipient to the decedent. Estate Tax: Amount by which the allowable federal credit for state death taxes exceeds the inheritance tax due from the estate. <i>\$100,374,243.93</i>	This tax is imposed on any person other than a surviving spouse, decedent's lineal ascendants, descendants and stepchildren who becomes beneficially entitled to any property or interest by any method of transfer. Administrators, executors, referees and trustees of estate transfers which are taxable may also be liable for such taxes.	State General Fund	In most instances, the return must be filed and tax paid on or before the last day of the 9th month after the death of the decedent.
Insurance Premium Tax	2% of the adjusted gross amount of premiums, assessments and fees received during the preceding calendar year. <i>\$135,372,923.37</i>	This tax is administered by the Commerce Department, with the Department of Revenue and Finance serving as a depositing agency for the tax receipts. The tax is imposed on the premiums of every insurance company except fraternal beneficiary associations.	State General Fund	Premium tax reports from all insurers are to be filed before March 1 of each year. Pre-payment of taxes equal to one-half of the prior year's taxes is due June 1.
Local Option Sales Tax	Not more than 1%. <i>\$169,778,321.25</i> <i>Fiscal Year 2002 Distributions</i>	Tax is imposed by counties either countywide or in incorporated or unincorporated areas. Under very special circumstances it may also be imposed by a city. With a few exceptions, it is imposed on sales and services taxed under state sales tax provisions. There is no corresponding local option use tax, except for transactions involving natural gas, natural gas services, electricity, or electric service.	To local sales and service tax fund with disbursement to local jurisdictions at least quarterly.	Local option sales tax is due at the same time as the state sales tax is due.
Mobile Home Tax	20¢ per square foot. The tax decreases when the home is more than five years old (18¢) and again when the home is more than nine years old (16¢).	Tax is imposed on homes located in mobile home parks.	Collected by the County Treasurer and distributed in same manner as property taxes.	None.

Iowa Tax Descriptions, continued

TAX	RATE OF TAX <i>FY01 Collections</i>	DESCRIPTION	DISTRIBUTION OF FUNDS	DUE DATES OF RETURNS
Motor Vehicle Fuel Tax	Gasoline 20¢/gal. Ethanol Blended Gasoline 19¢/gal. Aviation Gasoline 8¢/gal. Special Fuel (diesel) 22.5¢/gal. Special Fuel (LPG) 20¢/gal. Special Fuel (aviation) 3¢/gal. Compressed Nat. Gas 16¢/100 ft. 3 \$412,037,338.43	Tax is imposed on each gallon of fuel sold in Iowa for use in motor vehicles or aircraft. This includes gasoline, diesel fuel, liquefied petroleum gas, compressed natural gas, aviation fuel and ethanol blended gasoline.	Road Use Tax Fund Aviation fuel tax receipts deposited in state aviation fund. First \$411,311 from motor fuel used in water-craft deposited in the General Fund of the state. The remainder in the Rebuild Iowa Infrastructure Fund	Tax returns are required to be filed by the licensee no later than the last day of the month following the month in which the fuel was withdrawn from the terminal or, in the case of LPG or CNG, placed into the fuel supply tank of a motor vehicle. Importers are required to file semimonthly.
Motor Vehicle Lease Tax	5 percent use tax on the lease price of certain vehicles <i>Collections included in Use Tax total</i>	Effective January 1, 1997, the tax is imposed on the lease price of a vehicle subject to registration, that is not a motorcycle or motorized bicycle, with a gross vehicle weight rating of less than 16,000 pounds and leased for a period of 12 months or more by a lessor licensed under Iowa Code chapter 321F.	Road Use Tax Fund	Tax is reported and paid by the owner of the vehicle to the county treasurer or Department of Transportation at the time of registering or titling the vehicle. If this is not required, the tax must be paid by the owner to the Department of Revenue and Finance on or before 15 days from the last day of the month that the tax became due.
Property Tax Levied - Prior to Credits	Differs in each locality and is a composite of county, city, school district and special levies. Taxes are levied in terms of dollars per \$1,000 of taxable value and are collected locally. \$2,869,363,695.00 <i>estimated</i>	Property tax is levied on the taxable value of real property. The taxable value may be a percentage of the assessed value as a result of statewide limitations for allowable growth. The assessed value is 100% of market value, except for agricultural realty assessed according to its productivity	Local jurisdictions	The tax may be paid in two installments, the first of which becomes delinquent on October 1 and the second of which becomes delinquent on April 1.

Iowa Tax Descriptions, continued

TAX	RATE OF TAX <i>FY02 Collections</i>	DESCRIPTION	DISTRIBUTION OF FUNDS	DUE DATES OF RETURNS
Real Estate Transfer Tax	80¢ for each \$500 or fractional part of \$500 in excess of \$500 paid for the real property transferred. <i>\$12,021,394.46</i>	The tax is imposed on the transfer of real estate. Tax payment is noted on the instrument of transfer at the time the instrument is recorded.	17.25% of the tax receipts are retained by the county. Of the remaining 82.75%, 95% goes in the State General Fund, 5% in the Shelter Assistance Fund.	Tax is payable when the deed or other instrument conveying the real property is presented for recording. Tax returns must be filed with the State Treasurer by the county recorder by the 10th day of each month for tax collected during the preceding month.
School Infrastructure Local Option Sales Tax	Not more than 1%. <i>\$127,836,460.29</i> <i>Fiscal Year 2002 Distributions</i>	Tax is imposed countywide. With a few exceptions, it is imposed on sales and services taxed under state sales tax regular local option tax provisions. There is no corresponding use tax.	To local sales and service tax fund with disbursement to local school districts monthly.	Local option sales tax is due at the same time as the state sales tax is due.
State Sales Tax	5% <i>\$1,775,836,099.34</i>	The tax is imposed on gross receipts from all sales of tangible personal property and enumerated services. Certain exceptions are provided, including exemption of the sales of certain foods, prescription drugs, medical devices, and farm and industrial machinery, equipment and computers.	State General Fund	Depending on the amount of tax collected, a deposit and returns are due annually, quarterly, monthly or semi-monthly.
Tobacco Products Tax	22% of the wholesale sales price of the tobacco products. <i>\$7,087,941.04</i>	Tax is imposed on the sale of all tobacco products, except cigarettes and little cigars, which are taxed differently.	State General Fund	Distributors or certain consumers are required to file tax returns by the 20th day of each month for the preceding calendar month.
Use Tax	5% <i>\$238,032,969.00</i>	Use tax includes: (1) The 5% excise tax collected by out-of-state based firms making sales of tangible personal property or certain services purchased for use in Iowa. (2) The 5% excise tax on goods or services purchased tax free by consumers and subsequently used in Iowa. (3) The 5% excise tax collected by Iowa county treasurers or the Iowa Department of Transportation on vehicles subject to registration.	Revenue derived from use tax on vehicles subject to registration is deposited in various special funds. The remainder is credited to the State General Fund.	(1) Returns from out-of-state firms must be filed on or before the last day of the month following the close of the calendar quarter. Retail use tax permit holders collecting more than \$1,500 per month are required to file on a monthly basis. (2) Returns for goods and services purchased tax free must be filed on or before the last day of the month following the close of the calendar quarter. (3) Reports and remittance from county treasurers on vehicles subject to registration must be filed on or before the 10th day of the month following the month of collection.

SUPPLEMENTAL REPORTS

Published in accordance with Iowa Code section 422.75(28)

Report on Information System Activity — FY02

The department continued to move forward in several areas during FY02:

- Further development of the Integrated Revenue Information System (IRIS)
- Working with business partners to move the Tax Gap project nearer to completion
- Creating additional opportunities for e-service delivery to taxpayers.
- Continued support of the enterprise-wide collections service
- Enhancing technology support for agency personnel

Integrated Revenue Information System

Business Taxes to IRIS Transaction – During the first half of FY02, development of the transactional component for the sales/use tax family of taxes was completed, and the component was moved to production. In October 2001, the first business taxes, which include sales tax, retailers use tax, consumers use tax, hotel/motel, auto rental, and both regular and school infrastructure local option taxes, began being processed in IRIS. Approximately 3 million transactions from the prior legacy system were migrated to IRIS prior to implementation, and an additional 1 million transactions will be processed annually in the new application.

Filing Frequency Changes – Legislation passed during the 2002 legislative session granted the department the authority to adjust filing frequency thresholds for sales/use and withholding taxes through the rule-making process. The department intends to implement the changes in filing thresholds for semi-monthly, monthly, quarterly and annual filers which will:

- assist taxpayers by reducing the total number of transactions required to be filed,
- increase the number of electronic transactions filed, and
- remain fiscally neutral.

The analysis process was completed during FY02. Preliminary figures show approximately 28,000 withholding permit holders and 34,000 sales tax permit holders will be affected by these changes, with more than 400,000 paper transactions no longer filed.

Streamlined Sales Tax – The department continues to position itself to implement a streamlined sales tax which will involve multi-state reporting and processing of sales tax. Legislation was approved to permit the state to participate in the planning of this change in state sales/use tax administration. A related project is the Multi-state Tax Commission Registration project, which will allow retailers to register to collect sales tax for multiple states.

Tax Gap

A major part of the Tax Gap project is the enterprise data warehouse (EDW), and a major function related to the EDW is moving legacy data from transactional systems (IRIS and other sources) to the EDW. The EDW logical and physical models were created in FY02, and the processes for populating the data in the EDW were

Supplemental Reports, continued

essentially completed in FY02. After the interface programs were developed, almost 10 million transactions and 2.8 million taxpayer transaction records were interfaced to the EDW. New transactions from our source systems will interface to the EDW on at least a weekly basis. The final pieces of the Tax Gap project – completion of the Audit Component and interfacing the audits back to IRIS – will be completed in FY03.

E- Service Delivery

In addition to maintaining and marketing the many e-service applications, the department added six new electronic applications during the fiscal year:

- Bulk forms ordering system for income tax forms
- 1099 payment information for vendors
- Status of individual income tax refunds
- Inheritance tax registration system which replaces a manual card system
- Automated offsets processing between the department and other agencies and vendors
- An online view to display electronically-filed income tax returns in a return format.

In addition, an online payment vehicle to allow taxpayers to make individual income tax payments, which was started in FY01, was completed during the fiscal year. Currently, the agency's external customers can use one dozen online applications to reduce their costs for compliance with the state's tax and accounting requirements.

Use of electronic means by taxpayers to conduct transactions with the department experienced another year of impressive growth. A total of 630,000 taxpayers chose to file their individual income tax returns electronically during the past year. This represented a 30 percent increase in the use of this service and was the result of expansion of the opportunities available under the Iowa WebFile program and increased marketing, including a partnership with the public libraries throughout the state to encourage electronic filing

Collections Support

The department collects debt owed not only to the agency but also other state agencies. In FY02, the department completed a joint project with the Department of Human Services to collect selected delinquent child support payments. Enhancements were also made to existing applications to improve the access collection agents have to historical contact information and to increase the effectiveness of department accounts receivable and collections systems. Work was started in several key areas that will be completed in FY03. These include implementation of debt collection for College Aide Commission, improving processing of electronic payments and revising business rules that manage the collection process for all debt.

Technology Infrastructure

In order to support the agency's e-services program, the agency incorporated additional technology into the support system. One such technology was the use of electronic forms in conjunction with the display of income tax returns. Substantial planning was also completed for the migration of the agency's network infrastructure to the state standard of Active Directory and upgrading of network server and desktop operating systems.

At this same time, the department has also worked closely with the Information Technology Department and other state agencies to establish and implement a number of charters to centralize and make more efficient a number of information technology functions. The work in the above core areas and the charters continues into FY03.

Compliance Report

Despite dwindling resources due to budget reductions, the department has moved forward to improve compliance through technological improvements, accessibility to information, and improved systems. These have improved our service to customers, improved knowledge transfer to customers, and improved enforcement programs which identify noncompliance.

Customers have more access to information through 24/7 self-help options, which ultimately free employees to be more responsive to customers with more difficult questions or issues.

In Taxpayer Services, department personnel responded to 150,000 phone calls, a 7 percent decrease from last year. The busy signal rate was reduced by 14 percent from last year. Six thousand five hundred people attended educational presentations by agency staff. In addition, staff responded to 15,500 e-mails, compared to 7,700 from last year, a 100 percent increase.

With the development and implementation of an enterprise data warehousing system, the department has been able to improve its detection of noncompliance in all tax areas. Compliance programs range from discovering non-filers for individual and corporate income tax to auditing large multi-state corporations doing business in Iowa for corporate income and sales and use taxes. Our primary emphasis has been detecting non-filers.

These programs generated a total of \$90.6 million in collections and refund reductions, one of the highest ever in enforcement revenues. Of this, office examination programs generated \$45.2 million in collections. In-state field auditing of Iowa businesses generated \$6.1 million in collections, and out-of-state auditing of multi-state businesses generated \$5.7 million in collections. The agency’s Tax Gap Project generated \$14.4 million in collections from data warehousing technology. The balance is a reduction in refunds claimed as a result of an office exam or field audit.

Individual Income Tax Abatements — Calendar 2001

The director of the Department of Revenue and Finance is provided with the statutory authority “to abate any portion of tax, interest or penalties which he determines are excessive in amount, or erroneously or illegally assessed.” Abatements apply to those cases in which the initial protest occurs after the 60-day appeal period has expired and in which the taxpayer produces records substantiating the claim to reduced tax liability.

The table below summarizes the individual income tax abatements allowed in calendar 2001:

Number of Returns	Tax	Penalty (includes fees)	Interest	Total Amounts
2,882	\$4,253,727.89	\$511,764.73	\$1,558,982.84	\$6,324,475.46

HISTORY OF IOWA TAX RATES

The first major state tax in Iowa was created in 1921 when the state passed a 2¢ per package tax on cigarettes. In 1934 the sales and income taxes were created as property tax relief measures. Since that time several significant changes have occurred, both in the tax base and in the tax rates of Iowa's major revenue sources.

While certain changes in a particular tax base may be of equal or greater importance than changes in the tax rate, the history of the key developments in a particular tax may often be identified through an examination of tax rate changes. Additional information regarding these changes may be obtained by contacting the Tax Research and Program Analysis Section of the Director's Office.

Individual Income Tax

1934	tax enacted at	1% – 5%	1967	rate changed to	.75% – 5.25%
1953	rate changed to	.75% – 3.75%	1971	rate changed to	.75% – 7%
1955	rate changed to	.8% – 4%	1975	rate changed to	.5% – 13%
1957	rate changed to	.75% – 3.75%	1987	rate changed to	.4% – 9.98%
1965	rate changed to	.75% – 4.50%	1998	rate changed to	.36% – 8.98%

Corporation Income Tax

1934	tax enacted at	2%	1965	rate changed to	4%
1955	rate changed to	3%	1967	rate changed to	4% – 8%
1957	rate changed to	2%	1971	rate changed to	6% – 10%
1959	rate changed to	3%	1981	rate changed to	6% – 12%

Sales and Use Tax

1934	sales tax enacted at	2%	1955	rate changed to	2.5%
1937	use tax enacted at	2%	1957	rate changed to	2%
			1967	rate changed to	3%
			1983	rate changed to	4%
			1992	rate changed to	5%

Cigarette Tax

1921	tax enacted at	2¢/package	1971	rate changed to	13¢
1953	rate changed to	3¢	1981	rate changed to	18¢
1959	rate changed to	4¢	1985	rate changed to	26¢
1963	rate changed to	5¢	1988	rate changed to	34¢
1965	rate changed to	8¢	1989	rate changed to	31¢
1967	rate changed to	10¢	1991	rate changed to	36¢

Motor Fuel / Diesel Fuel Tax

1925	tax enacted at	2¢ / gal. gasoline 2¢ / gal. diesel	1979	rate changed to	10¢ / 11.5¢
1943	rate changed to	3¢ / 3¢	1981	rate changed to	13¢ / 13.5¢
1945	rate changed to	4¢ / 4¢	1982	rate changed to	13¢ / 15.5¢
1953	rate changed to	5¢ / 5¢	1985	rate changed to	15¢ / 16.5¢ (July 1)
1955	rate changed to	6¢ / 6¢	1986	rate changed to	16¢ / 17.5¢ (Jan. 1)
1957	rate changed to	6¢ / 7¢	1987	rate changed to	16¢ / 18.5¢
1965	rate changed to	7¢ / 8¢	1988	rate changed to	18¢ / 20.5¢
1978	rate changed to	8.5¢ / 10¢	1989	rate changed to	20¢ / 22.5¢
			2002	rate changed to	20.1¢

FOR MORE INFORMATION...

To receive forms and publications

mail:

515/281-7239 or 1-800-532-1531 (Iowa only)

fax:

1-800-572-3943

Internet:

<http://www.state.ia.us/tax>

order by e-mail:

iowataxforms@idrf.state.ia.us

To listen to recorded tax information:

515/281-4170 or 1-800-351-4658

To check on the status of your Iowa income tax refund:

515/281-4966 or
1-800-572-3944 (Iowa only)

To receive assistance from a tax specialist:

phone:

515/281-3114 or
1-800-367-3388 (Iowa, Omaha and Rock Island/Moline)

TDD for hearing impaired:

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