A TAX MANUAL
FOR
COUNTY TREASURERS
OF IOWA

INSTITUTE OF PUBLIC AFFAIRS
THE UNIVERSITY OF IOWA
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FOREWORD

A Tax Manual for County Treasurers of Iowa is a revision of A Manual for County Treasurers of Iowa. As evidenced by the new title, no attempt is made to deal with the duties of the treasurer relevant to motor vehicles. The treasurer is referred to State of Iowa Motor Vehicle Reference Manual distributed by the Department of Transportation for an explanation of such responsibilities. This tax manual summarizes Iowa legislation and Attorney General opinions relating to the tax duties of the county treasurer.

As a procedural manual, it will serve both current and newly-elected county treasurers as a reference to the laws governing their actions, a procedural guide, and a source of information. The manual is in loose-leaf form in order to allow for periodic updating.

The preparation of this manual was chiefly the work of Timothy J. Gibson, Research Assistant in the Institute of Public Affairs, The University of Iowa, under the general supervision of Harry Smith, Chief of Research in the Institute.

The Institute is indebted to several county treasurers who reviewed and commented on the revised edition of the manual. These include: Pat Carlson, Cherokee County; Lee Duin, Lyon County: Blake Elliot. Story County; Joe Johnston, Adams County; and William E. Kelso, Supervisor of County Audits. Special thanks goes out to Marjorie Schneider of Franklin County for her dedication to the revision of this manual.

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Iowa City
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CHAPTER 1

THE OFFICE OF COUNTY TREASURER

Basics of the Office

Election, Vacancy, Removal

In 1974 and every four years thereafter county treasurers of Iowa are to be elected at a general election and hold office for a period of four years. The term of office for the county treasurer shall begin the first day of January following the general election which is not a Sunday or legal holiday. (Sec. 39.8, .17)

Resignations of a county treasurer must be made in writing to the county auditor of the county in which duties are performed. The treasurer may be removed from office by the district court after appropriate notice and hearings for willful or habitual neglect or refusal to perform the duties of the office, willful misconduct or maladministration in office, conception, extortion, conviction of a felony, intoxication or conviction of being intoxicated. (Sec. 66.1, .16, .17, 69.4(4))

When a vacancy in the office of county treasurer occurs, the county auditor shall take possession of the office room, the books, papers and all things pertaining to the office until the qualification of a successor. The board of supervisors shall appoint a successor to the office of treasurer when a vacancy occurs. The appointee shall hold office until the next general election and a new treasurer is elected and qualified. (Sec. 69.3, 69.8(4), Iowa Constitutions, Art. XI, Sec. 6)

Upon leaving office, the outgoing treasurer shall make a full and complete settlement with the board of supervisors, and deliver up all books, papers, moneys, and all other property pertaining to the office to the successor. The supervisors are to see that the books are correctly balanced before forwarding to the possession and control of the treasurer elect. (Sec. 452.7, .9)

Bond and Oath

County treasurers are required to take an oath to support the U.S. Constitution and the state Constitution of Iowa and to perform the duties of the office in the proper manner. (Sec. 63.10)

The bond required of the county treasurer shall be in the sum of $25,000 per annum. The bonds of the county treasurer shall have not less than four sureties, each held by a freeholder of the state. Sureties are liable for all money that may come into the hands of one treasurer while in office. When a treasurer chooses to furnish a bond with an association or corporation as surety, the reasonable cost of such bond is paid by the county in which it is filed. (Sec. 64.3, .11, .16, 69.10)

A county treasurer's deputy must also take an oath of office and furnish an official bond. The amount of the bond is determined by the county board of supervisors of the county in which it is filed. The fact that a deputy treasurer is bonded does not remove the liability from the treasurer for the official acts of deputies. The reasonable cost of bonds required for deputies, clerks, and cashiers employed by the treasurer shall be paid by the county in which the bonds are filed. (Sec. 64.15)

The bonds of the county treasurer and deputies are to be approved or rejected by the board of supervisors within five days after presentation. Upon approval, the bonds are to be endorsed and filed. Upon disapproval, the treasurer may within five days, present the bond to a judge of the district court of the proper district for proper hearing. If approved, the bond has the same force and effect as an approval by the board. (Sec. 64.20, 64.22, 341.4)[1]

Compensation

The annual compensation of the county treasurer is based upon a recommendation by the county compensation board. This recommendation must be approved by the county board of supervisors, which may authorize a lower, but not a higher, salary than is recommended by the compensation board.[2] (Sec. 340.1, 340A.6) In addition to regular compensation, the county board of supervisors may establish group insurance, health or medical plans for the elected county officers, including the county treasurer. (Sec. 340.1, 340A.6, 509A.1)

Deputies

County treasurers may appoint one or more deputies who are not currently holding another county office to aid them in the performance of their duty. All official acts of a deputy treasurer are the responsibility of the treasurer. The board of supervisors determines the number of deputies to be appointed by each treasurer and approves all such appointments. The treasurer issues a certificate of appointment for each deputy and files it with the county auditor. (Sec. 341.2) To revoke the appointment of a deputy, the treasurer files a written statement of such with the county auditor.[3]

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[1]It is the individual officer's determination as to who will be his surety; and that it would be improper for the county board of supervisors to ask for bids for county officers' bonds and to give all bonds to the lowest bidder. The only determination to be made by the board of supervisors, in paying for bonds filed by county officers, is whether or not the price is reasonable. (Op. Atty. Gen., March 18, 1964)

[2]The board of supervisors has two alternatives with respect to the compensation schedule recommended by the compensation board under present law. The board may accept the recommended schedule or it may reduce the recommended salary of each officer by an equal percentage. No other options are available. (Op. Atty. Gen., April 5, 1977)

[3]Under Section 341.3 of the Code, the county treasurer as appointing officer, may revoke the appointment of a deputy treasurer by filing a written revocation in the county auditor's office. (Op. Atty. Gen., November 19, 1969)

The duties of a deputy county treasurer are assigned by the treasurer. If the treasurer is absent or disabled, the deputy performs the duties. (Sec. 341.1, .3, .6)

The first and second deputies may be paid an amount not to exceed 80 percent of the amount of the annual salary of the treasurer. In counties where more than two deputies are required, salaries of deputies in excess of two may not be paid more than 75 percent of the annual salary of the treasurer. Salaries of clerks and extra help in the office of county treasurer are fixed by the board of supervisors. (Sec. 340.4)

In any county having two county seats and where the district court is held in two places the first deputy county treasurer shall receive not more than 75 percent of the amount of the salary of the treasurer. Other deputies shall receive between 50 percent and 75 percent of the amount of the salary of treasurer as determined by the board of supervisors. (Sec. 340.18)

Office and Supplies

An office for the treasurer is located at the county seat by the board of supervisors. The board also provides the treasurer with fuel, lights, blanks, books, and stationary necessary to the functions of the office. (Sec. 332.9, .10)

State Oversight

The county treasurer is subject to state control in the performance of the duties of the office. The state auditor is required to prescribe a uniform system of blanks and forms for financial accounts, receipts, and reports of county officers in order to maintain a uniform system of accounting. The above mentioned blanks and forms are subject to revision in order to increase efficiency or meet the needs of changes in the law. (Sec. 11.22)

On or before the fifteenth day of each month, the treasurer must forward a sworn statement of the amount of money in his possession belonging to the state treasury on the last day of the preceding month. A copy of the statement must be mailed to both the treasurer of the state and the state comptroller. Money belonging to the state must be remitted to the treasurer of the state at the time of the statement. (Sec. 334.9)

All the financial records and transactions of the county are subject to examination by the state auditor's office at least once a year. In addition, the auditor of the state, at the time of audit, inquires into the payment of salaries to county officers to insure uniform application of statutes. (Sec. 11.6)

Official Newspaper

Reports of the county treasurer, including a schedule of the receipts and expenditures of the county and the current cash balance in each fund in the treasurer's office together with the total of warrants outstanding against each of said funds as shown by the warrant register in the auditor's office are to be published semiannually in the official newspaper of the county. (Sec. 349.16)

Combining County Offices

The duties of the county treasurer may be combined with one or more of the following county offices: sheriff, recorder, auditor, medical examiner, clerk of district court, overseer of the poor, county care facility steward, commission on veteran's affairs, director of social welfare, assessor, or weed commissioner. Before any such offices may be combined, an election must be held on the proposal, under the procedure outlined in Sections 332.18-.22 of the Code. (Sec. 332.17)

Annual Budget

The treasurer must prepare a budget for the office each year. No later than January 1, the treasurer must submit to the county auditor: (1) an estimate of the actual expenditures of the office during the current fiscal year; (2) a statement of the various expenditures by the office that should be provided for in the budget for the forthcoming fiscal year; (3) an estimate of the revenues (except funds derived from property taxes) that the office will collect during the present fiscal year; and (4) a similar estimate of the revenues to be collected in the forthcoming fiscal year. These estimates are used by the board of supervisors in drawing up the county budget for the following fiscal year. (Sec. 24.25(1))

No later than June 30 of each year, the treasurer must submit to the board of supervisors a detailed estimate showing the proposed expenditures for the office for the following fiscal year. The estimate must be in the same form as that itemized on the books of the county auditor. If any of the proposed expenditures represent an increase over the expenditure for the previous fiscal year, a written statement justifying the increase must accompany the estimate. (Sec. 344.1)

The board of supervisors must make appropriations for the coming fiscal year on or before July 31. It is unlawful for the treasurer to authorize any expenditure in excess of the amount appropriated by the board of supervisors. If additional funds are needed, the treasurer must request additional funds from the board, which may transfer funds to the office. The county auditor must furnish the treasurer with a report of the expended and unexpended funds on the fifteenth day of October, January, and April of each fiscal year. (Sec. 344.2, .7, .9, .10)

Sources of Assistance

Before a new county treasurer becomes fully familiarized with the new position, many problems of both a practical and technical nature will arise. In addition, changing conditions will create many new problems. However, there are sources of assistance that the treasurer may utilize. This section will introduce the treasurer to several of these sources.

The terms of county officers are now staggered, thus insuring that some county officers will have at least two years of experience in their positions when the remainder begin their terms. The new treasurer may

turn to these officers for information and suggestions. The deputies and assistants in the treasurer's office will also be a valuable source of assistance, as some of these have considerable experience in that office.

The county attorney must give opinions in writing on any matter of interest to the county upon request from any county officer. (Sec. 336.2 (7))

The Iowa State Association of Counties (ISAC) is another source of information. The association provides a variety of services to counties and county officers, including:

1. Bulletins on urgent matters.
2. Research on individual requests for information.
3. Legislative assistance.
4. Developing model programs.
5. Expansion of manuals for county officers.
6. Establishment of select committees to study ways of improving government.
7. Aid in processing applications for federal or state funds (if desired), and acquiring surplus federal equipment.
8. Association wide group insurance programs to reduce premiums to officers and counties.
9. Assistance in recruitment of technical personnel.
10. Association sponsored health and dental care plans.
11. Association sponsored life insurance programs.
12. Association sponsored deferred compensation program.
13. Association sponsored hospital indemnity program.
14. Association sponsored car rental program.
15. ISAC sponsors conferences throughout the year to provide various types of assistance and education. These include the School of Instruction for Newly Elected Officials (held after each election), summer Legislative Workshops and Annual School of Instruction for All County Officials.

The ISAC publishes The County, a monthly magazine which includes current information of concern to counties and county officers.

The Institute of Public Affairs at The University of Iowa offers a variety of information through training courses, pamphlets, and conferences. Personnel training and development courses are also available. Similar services are provided by the Iowa State University Extension Division's Office of Local Government Programs located in Ames.

The State Office for Planning and Programming, Division of Municipal Affairs offers personnel assistance in affirmative action programs, uniform employee classification, collective bargaining, and other areas of county government.

The Iowa State County Treasurers Association, Inc. exists to foster better county and local government and to promote legislation that would foster better and improved county and local government in order to better serve the needs of the citizens of the State of Iowa. The Association also strives to promote the education of county officers and their employees

so that they better serve and meet the needs of the public and the citizens of Iowa.

Executive members of the Association are always available for consultation on problems confronting the treasurer.

The treasurer must insure that he keeps informed of the changes in the law. The Iowa Code, to which each county treasurer is entitled a free copy, is published every two years, and thus two sessions of the General Assembly will have met before the Code is updated and reprinted. Changes in the law may be obtained from several sources. Supplements to the Iowa Code Annotated are published periodically during the legislative session. The Des Moines Register publishes a list of bills being considered daily throughout the legislative session, and the Iowa County includes summaries of bills affecting county government. Copies of individual bills may be obtained from the Legislative Service Bureau in Des Moines. In addition, Session Laws, containing all of the laws passed during the legislative session, are published after the close of the session.

The treasurer should also be familiar with the Iowa Administrative Code, which contains the rules and regulations adopted by the various state departments and agencies. New regulations are published when they are proposed, and again after they have been adopted.

Definitions

Some terms used in the work of a county treasurer and in this manual are defined below:

Abstract--A recapitulation of total taxes due in each taxing district. This comes to the treasurer with the tax list. It can be used to make sure actual dollar tax collections balance with records; that is, do taxes recorded as collected in each district plus those still unpaid equal the amount to be collected in the district?

Apportionment--The process of dividing the moneys collected into the proper funds according to rates obtained from the auditor.

Balancing--The practice of keeping a close and accurate record of all moneys on hand, moneys collected, and moneys spent each day.

Certification of Taxes--Statement from the auditor of taxes due. The tax list is certified to the treasurer as of a given date. The list is his authority to collect the taxes so certified. The date of certification is used as a base for figuring penalty.

Distress Warrant--The notice to the sheriff authorizing him to collect personal property taxes still unpaid or to obtain property valued equal to what is owed in personal taxes.

Indexing--The process of recording the necessary information on the tax list and tax receipts after they are obtained from the auditor. Back taxes, special assessments, and other helpful information are indexed on the tax list and receipt.

Interest--A percentage charged over a period of time on moneys owed and not paid.

Levy Date--An annual date that the board of supervisors, at its March session, levies taxes upon the assessed value of the taxable property in the county.

Migratory Personal Property--Personal property, usually belonging to a nonresident, which is intended for sale or use at a place different from its location.

Orders--Monthly notice of money due tax levying bodies other than those levied by the board of supervisors. Mailed by the treasurer, signed and countersigned, returned for a check for the amount due, or cashed at a bank and returned by the bank to the county treasurer with warrants.

Penalty--A percentage charged when a deadline is not met.

Posting--Posting is the orderly listing of various transactions by receipt number or other indexing methods.

Scavenger Sale--Sale held immediately after a regular tax sale where property with unpaid taxes that has not sold for three successive years at a tax sale is sold. The difference is that at scavenger, the highest bid is accepted whether it covers the cost of taxes due or not, and deed can be obtained within one year.

Suspended Taxes--Taxes which need not be paid for duration of suspension by order of the board of supervisors or the State Department of Social Services due to the current inability of the taxpayer.

Tax Sale--Yearly sale of real estate on which taxes have not been paid in order to obtain the money due the taxing bodies concerned.

Unclaimed Fees--Where any special levy has been made to pay any claim, bond, or other indebtedness and the same shall have remained in the treasury of the county, uncalled for, for a period of three years, the board of supervisors may authorize such unclaimed fund to be transferred to the general county fund.

Unclaimed Property--Property and money turned over to the treasurer usually by clerks of the district court and held for an individual by the treasurer. If not called for within ten years these are sent to the state treasurer.

Warrants--An order to pay a county debt out of a given fund. Warrants are similar in form to a check. They are written by the auditor on approval of the board of supervisors and paid by the treasurer.

CHAPTER 2

GENERAL TAXES

Preparing to Collect Taxes

General Property Tax Lists

General property taxes are collected from taxpayers on tax lists certified by the county auditor on or before the last day of June. In some instances a county auditor will not be able to deliver the tax list by the given date because of delays in the assessment and budgetary process. This delay has no effect on the validity of the taxes due nor on the treasurer's authority to collect such. (Sec. 443.4)

The treasurer should note that the certification date will establish and support the treasurer's penalty date. "Property tax become delinquent 92 days following certification of tax list. County treasurers can begin to collect taxes immediately after tax list is certified." (Op. Atty. Gen., August 14, 1974)

The tax list which is properly ruled and headed with separate columns, contains the names of taxpayers, descriptions of lands, number of acres and value, numbers of town lots and value, value of personal property and each description of tax, with a column for polls and one for payments. The amount due on each installment is also included. Parcels of land sold for taxes and not redeemed are also indicated by the auditor with the year sold. (Sec. 443.2, 446.1)

Tax lists are certified by the county auditor as being correct before delivery to the treasurer's office, and contain an abstract of taxes due for each taxing district by funds levied. The fact that the treasurer has received the tax list is sufficient authority for him to collect taxes due. (Sec. 443.3, .4)

The county treasurer may need to make a correction in the certified tax list as to amount of tax due, legal description, or address. Each time any correction is entered on the tax list or an omitted tax added, the complete date and time are entered on the list. If there is any expense involved in the correction, it is paid for on a prorated basis from the funds affected by the change and the correction is reported to the board of supervisors. (Sec. 443.9, .10, .16)

If taxable property is withheld or not listed, and the treasurer has become aware of this within five years of the date it should have been listed, he is authorized to collect the total amount which it would have been taxed the year it was missed plus interest at six percent from the time such taxes were due. (Sec. 443.12) When the owner of such property

does not pay his taxes with interest within 30 days, the county treasurer may bring action. If the property is found to have been fraudently withheld, a 50 percent penalty is added to the amount due. The treasurer apportions the amount recovered, including the penalty, ratably as the taxes would have been if they had been paid according to law. (Sec. 413.13)

Assessment by the Treasurer

It is the duty of any owner of real property not assessed to have the treasurer assess it. The treasurer is authorized to assess such property subject to taxation but omitted by the assessor or the auditor. The treasurer collects the taxes due on such land, making sure to mark the entry of such property on the tax list as "by treasurer." An assessment by the treasurer on land omitted may be made within four years after the list was received by the treasurer as long as the property is owned by the same individual. When making an entry the treasurer must immediately note the month, day, hour, and minute of the entry. (Sec. 443.14-.16, .18)

Indexing the Tax List

Before the treasurer begins the actual process of collecting taxes certain items on the tax list are certified. One such item is the unpaid taxes from past years. Such delinquent taxes are carried forward from tax records of the past year to the new tax lists. The amount of the unpaid tax is entered opposite the land involved. Entering this unpaid tax on the current tax list preserves the lien on the property. If the tax list is received less than six months before the tax sale date and all past tax lists are properly indexed as to unpaid taxes, no entry need be made on the current list to maintain the lien. (Sec. 445.10)

The county auditor delivers a special assessment tax list to the county treasurer on or before July 31 of each year. In turn the treasurer issues a receipt for the list. The list is sufficient authority for the county treasurer to collect the taxes therein levied. Any unpaid special assessments against a parcel of land are indexed onto the general tax list in red ink. This indexing indicates the receipt number, the amount due, and the special assessment book page number and line where the amount due may be found. Also, any taxes which have been suspended are so indicated on the tax list and recorded in the record of suspended taxes. As taxes are paid, the amount paid and the date of payment are recorded on the tax list. (Sec. 445.13, .14, 449.4)

Statement of Taxes Due

A county treasurer is not required to notify the taxpayers of the county of tax due dates; it is the duty of each person subject to taxation to pay his taxes in person or by mail to the office of county treasurer by the given dates or be subject to penalty. The total tax due is to be paid in full at some time between the first Monday in August and September 1 following. Alternatively, one-half the tax may be paid by September 1 and the remaining tax paid before March 1 following. (Sec. 445.36)

The treasurer is authorized and required to collect, as far as practicable, the taxes remaining unpaid on the tax books or other records approved by the state auditor of previous years. Efforts to that end include the sending by mail of a statement to each delinquent taxpayer not later than May 1 of each fiscal year. (Sec. 445.1)

The county treasurer, when requested to do so by anyone having an interest therein, shall certify in writing the entire amount of taxes and assessments due upon any parcel of real estate. Also, the certificate shall show all sales of the real estate for unpaid taxes or assessments shown by the books or the records in the treasurer's office, with the amount required for redemption, if still redeemable. The treasurer receives a fee of one dollar for the first parcel in each township or city and twenty cents for each subsequent parcel in the same city or township. In computing the fee each description in the tax list shall be reckoned a parcel. (Sec. 445.23)

A certificate of taxes due, with the treasurer's receipt showing payment of all taxes therein specified and the auditor's certificate of redemption from the tax sales therein mentioned shall be conclusive evidence that the parcel of real estate is free and clear of taxes, assessments, and sales for such, except sales where the time of redemption had already expired and the tax purchaser had received his deed. (Sec. 445.24)

The treasurer is liable on his official bond for any loss to the county, or any subdivision thereof or to any tax purchaser, or taxpayer from an error in the certificate or receipt. (Sec. 445.25)

Tax Receipts

Upon payment of taxes the treasurer must make out and deliver to the taxpayer a receipt, stating the time of payment, the description and assessed value of each parcel of land, and the assessed value of personal property, the amount of each kind of tax, the interest on each, and the costs, if any. (Sec. 445.5)

Requested Information

When applied to by letter and receiving sixty cents in postage stamps or money, and twenty cents additional for each tract of one hundred sixty acres in excess of three hundred twenty acres, the county treasurer shall correctly supply by mail the amount of unpaid taxes and any tax sales that may appear upon the tax list. However, the treasurer may not charge in excess of one dollar for such a request. Upon the return of the treasurer's letter or copy thereof with taxes due, prior to the last day of the current month, the treasurer shall forward to the sender a tax receipt without further charge. (Sec. 445.26)

Notice of Property Tax Reimbursement

The county treasurer shall include with the tax receipt upon which a homestead credit is allowed, a statement that if the owner of the property is sixty-five years of age or over, a surviving spouse of fifty-five years of age or over, or is totally disabled, he may be eligible for the credit allowed under the property tax reimbursement division. (Sec. 425.17(9))

Collecting the Taxes

Tax Payment--What Receivable

County treasurers are authorized to receive as payment of taxes any circulating notes of national banking associations organized by an Act of Congress, United States legal tender, and other United States notes and certificates which will be paid on demand and are intended as currency. State and county taxes may be paid for by comptroller and auditor warrants respectively; but school taxes must be paid in money. Warrants issued by any city shall not be received by the county treasurer in payment of the city taxes. (Sec. 445.33-.35)[1]

Suspended Taxes

Real estate taxes may be suspended by direct petition to the board of supervisors or by notification by the director of social services.

Whenever a person, by reason of age or infirmity, is unable to contribute to the public revenue, such person may file a petition with the county board of supervisors. The board may then order the county treasurer to suspend the collection of taxes assessed against the petitioner. (Sec. 427.8)[2]

Also, whenever a person is a recipient of federal supplementary security income or state supplementary assistance or is a resident of a health care facility, such a person shall be deemed to be unable to contribute to the public revenue. It is the duty of the commissioner of social services to notify the board of supervisors of the county in which the assisted person owns property that the assisted person is receiving such assistance. The board shall then order the county treasurer to suspend the collection of all taxes assessed against the property of the assisted person, for as long as the person owns the property or is receiving assistance. (Sec. 427.9)

When the land on which taxes have been suspended is sold, or if it is inherited by anyone except the spouse or minor child of the owner, the taxes previously suspended become due and payable.[3] When suspension ends,

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[1]Although the Code specifically states what is receivable for payment of taxes, it is accepted practice that treasurers accept payment by check.

[2]Special assessments are not taxes, therefore should not be suspended. Sale of delinquent general taxes in effect pays these taxes and if suspension goes into effect subsequent to that time, there is nothing to suspend. (Op. Atty. Gen., 1940, p. 453)

[3]Real estate taxes are a lien affecting property against which they are assessed, and at the time of death of a life tenant who has had real estate taxes suspended by reason of being on old age assistance, the taxes become due and payable and may be enforced against the property upon which they are levied. (Op. Atty. Gen., July 13, 1960) Counties retain the right to collect taxes suspended its old age assistance recipients, prior to January 1, 1974, as it previously had. (Op. Atty. Gen., October 1, 1974)

there is no penalty on taxes which have been suspended; however, interest of six percent per year from date of suspension is charged against those taxes suspended by petition to the board of supervisors. (Sec. 446.38)

In the case of persons receiving or having received monthly or quarterly payments of old age assistance no interest is collected from the date of suspension as is the case with petitioners for suspension. (Sec. 427.11)

Cancellation

The treasurer should note that such a petition must be filed yearly. Failure to do so results in a cancellation of the suspended taxes by petition. Social Services Manual letter No. V-0-3 dated January 29, 1974 spells out the lift notice for persons receiving monthly or quarterly payments of old age assistance.

In cases where taxes have been suspended one year or more upon the property of a deceased old age assistance recipient and no estate was opened within ninety days after the death of the recipient and the surviving spouse of the recipient is not occupying the property, the county treasurer shall issue a public bidder tax sale certificate to the county auditor. In such cases the requirements to the effect that the real estate shall have been advertised and offered for sale two years or more, shall not be applicable. (Sec. 446.38)

Suspended Tax List

The Code specifies that each county treasurer keep and maintain a suspended tax list in which all of the following data shall be kept:

1. A governmental or platted description of the land on which the said tax has been levied or on which it is a lien.
2. The name of the owner of said land.
3. The amount and current year of said tax.
4. The date of the order suspending collection of said tax.

The suspended tax list book must be prepared, ruled and headed in a manner such that all entries of taxes and polls against the land in a given section or plat is separate from the entry of taxes against the land in any other section or plat.

If a tax on the book is paid, or subsequently legally cancelled and remitted, the treasurer shall enter into the book such information over his official signature. The suspended tax list maintained by the treasurer is the only official suspended tax list of the county. Therefore any suspension entered shall be a lien and notice thereof on and after the date of entry. (Sec. 427.12)

Delinquent Real Estate Taxes and Penalties

To avoid the late penalty, the first half of taxes on real estate must be paid by October 1 following the levy; the second half by April 1.[4]

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[4]Property tax becomes delinquent 92 days following certification of the tax list. (July 16, 1975)

Any taxes paid after these dates are considered delinquent and have a penalty attached. (Sec. 445.37) If the auditor is late in delivering the tax list, the first half of taxes becomes delinquent if not paid within ninety-two days after the tax list delivery date, rather than October 1. When tax lists are delivered on time and the first half of real estate taxes remain unpaid after October 1, a penalty of one percent per month is added to the amount due. The same penalty applies to an unpaid second half. Therefore, there is a penalty of one percent per month on each half. The state provides charts of penalties due as of October 1 to help the treasurer in collecting delinquent taxes. However, if the tax list is late and due dates moved forward, the penalties on this chart do not apply and must be figured by the treasurer. If taxes remain unpaid after the third Monday in June, from the preceding fiscal year or years, the property on which taxes are due is subject to tax sale in order that the taxes due may be collected. (Sec. 445.36(1), 446.7) The actual procedures involved in collecting delinquent taxes on real estate and personal property are explained in detail in Chapter 8.

There is no interest as a penalty on taxes levied by the court to pay a judgment on county, city, town, or school district indebtedness other than what the settlement calls for. There also is no interest on taxes levied to provide aid for construction of railroads. (Sec. 445.41)

Taxes on Property Owned by a Company

Taxes are assessed against the property owned by telephone-telegraph, electric transmission line, pipeline, railroad, and express companies just as they are against an individual's land. The taxes due are certified to the treasurer by the auditor of the county in which the property is located. The treasurer collects these taxes from the companies at the same time and in the same way that he collects taxes from individual property owners. Likewise, these companies are subject to the same interest and penalties for late and unpaid taxes as a private individual. (Secs. 433.9-.11; 434.22; 436.10-.11; 437.10, .11; 438.15-.17)

Taxing Electric Power Generating Plants

The first forty-four million, four hundred forty-five thousand, four hundred forty-five dollars of taxable value on electric power generating plants as defined by Chapter 428 of the Code, is apportioned to the taxing district in which each plant is situated. The remaining taxable value is apportioned to each taxing district in which electric operating property of the owner is located, in the ratio that the actual value of that part of such owner's electric operating property which is located in the affected taxing district bears to the total actual value of the electric operating property of such owner located in the state. If the owner has no taxable property in this state other than the electric power plant which is assessed, the remainder is assessed and levied at the current rate of the taxing district in which the plant is located. In this case the county treasurer must, within fifteen days after payment by the owner, forward such remaining tax money to the state treasurer.

If the owner of such a plant is a municipal electric utility, the remaining taxable value is allocated to each taxing district in which the municipal electric utility is serving customers. If the municipal electric company has no operating electric meters in this state, the remainder

is assessed and levied on at the current rate of the taxing district in which the plant is located. Tax moneys received from such remainder assessment and levies shall be paid to the county treasurer, who shall forward the moneys to the state treasurer within fifteen days from the date such moneys are received. (Sec. 428.37)

Excise Tax on Handled Grain

An annual excise tax is levied on the handling of grain as defined by Chapter 428 of the Code. All grain so handled is exempt from all taxation as property under the laws of this state. When the tax is determined, it shall be entered in the same manner as general personal property taxes on the tax list of the tax district, and the proceeds of the collection of such tax shall be distributed to the same taxing units and in the same proportion as the general property tax on the tax list. The county treasurer is guided by the same provisions of the law relating to the collection of personal property taxes. (Sec. 428.35)

Personal Property Taxes

Migratory Personal Property and Tax Collection

All personal property intended for sale or consumption at a place, or shipment to a place other than where the property is located and owned by a nonresident of the state is assessed to the owner, if known. If not known, the property shall be assessed to "unknown owner." A lien for the tax on the property exists from January 1 of the year for which it is assessed. Upon removal of the property from the county, the tax becomes immediately due and collectable. If the auditor is notified that such migratory property is about to be taken from the county, he provides the treasurer with the description of such property as listed on the assessor's records. Once notified, the treasurer, through a distress warrant, prevents the removal and files a lien on taxes due. (Sec. 445.42-.44)

Delinquent Personal Property Tax

Personal property taxes which are not paid on or before the first Monday in June are charged a penalty of five percent in addition to the one percent per month delinquent charge. Except for the first four years no penalty or interest is collected upon taxes remaining unpaid four years or more from June 30 of the year the taxes remained unpaid. The board of supervisors, at the July meeting, may choose to declare the tax unavailable. The amount of the tax is then credited to the treasurer by the auditor as unavailable. The treasurer then apportions the unavailable tax to the appropriate funds. If any part of this tax belongs to the state, it is reported to the State Comptroller with the semi-annual report and credited by the state to the county treasurer. The fact that a tax is declared unavailable does not release the taxpayer from his duty to pay nor the treasurer from his responsibility to collect it. Delinquent personal taxes are subject to collection by distress and sale of personal property as explained in Chapter 8. Should taxes which have been listed as unavailable to be collected, the amount collected is distributed to the proper funds as if it were not declared unavailable and any of the tax belonging to the state is credited back and included in the treasurer's remittance of other state taxes. (Sec. 445.20-.22, 445.40)

Delinquent Dog Taxes

On or before July 15 of each year the auditor shall certify to the county treasurer: (1) the name of the owner of each unlicensed dog; (2) the number of dogs so owned by said person and the sex thereof; (3) the amount of the unpaid fee, plus a penalty of one dollar for each dog. (Sec. 351.18)

Tax Aid for Railroads

Chapter 327A of the Code sets forth certain conditions for petitions enabling tax aid for railroads. The county treasurer has a role in the collection and dispersal of funds in counties in which such a district is located.

Collection and Maintenance

When special taxes are voted for, they shall be collected at the same time and in the same manner as other taxes, with the same penalties for delinquency and the same manner of enforcing collection by sale as ordinary taxes. When collected the funds shall be kept in a separate fund and paid out only for the purposes for which they were voted. The county auditor shall keep a record of such conditions. (Sec. 327H.12)

Dispersal

After the appropriate governing body has certified to the county treasurer that all necessary conditions have been met by the effected railway company, the county treasurer shall pay the authorized funds to the treasurer of the railway upon order of the railway director. If the costs of the enabling election and recording of certificates have not been paid, the treasurer shall first deduct such costs. (Sec. 327H.14)

Forfeiture of Tax

Should the voted upon taxes remain in the county treasury for more than one year after the same have been collected, the right to them by the railway shall be forfeited, and the persons who paid the same are entitled to receive back from the county treasurer their pro rata shares remaining. (Sec. 327H.16) In addition all county officers concerned - shall enter a cancellation of the taxes in the proper records.

Substitution of Tax

It is possible for an individual to contract with the railroad to substitute labor and material for construction or supplies for payments of such a tax to the county treasurer. In order for the treasurer to credit the given amount of tax as paid, the individual must present a receipt of the amount substituted from the railway company to the treasurer. (Sec. 327H.17)

Township Halls

Should the electors of a township elect to build a township hall by levying a tax, the tax is collected by the treasurer and is paid to the township clerk. (Sec. 360.1, .2)

Mulct Tax

A person may be assessed a tax imposed by the court for maintaining a nuisance. The tax is certified by the auditor to the treasurer for collection.

Laws relating to collection, delinquency and tax sale are applicable. When the tax is collected, it is used to pay any unpaid costs in the state action against the person maintaining the nuisance, and ten percent is paid to the state's attorney in the case. If after paying these costs any money remains, it is credited to the temporary school fund of the county. (Sec. 99.27-.30)

County Agricultural Extension Law

Each county, except Pottawattamie, has been constituted and established as a "county agricultural extension district." Pottawattamie County is divided into two districts as set out in Section 176A.4 of the Code. (Sec. 176A.4)

The county treasurer has three duties with respect to a county agricultural extension district. First, as soon as possible after meetings at which officers are elected, the treasurer receives a certificate signed by the extension council chairman and secretary. The certificate contains the names, addresses, and terms of office of each member, and the names and addresses of the officers of the extension council with the signatures of the officers affixed. (Sec. 176A.8(13))

Secondly, unencumbered funds in the county agricultural extension education fund in excess of one-half the amount expended from said fund in the previous year is paid over to the county treasurer for transfer into the general fund of the county each year. (Sec. 176A.8(16))

Thirdly, the county treasurer is responsible for determining the amount and sufficiency of the bond covering the extension treasurer. The extension treasurer, within ten days after election as treasurer and before taking office shall execute a corporate surety bond of one hundred twenty-five percent of the amount, as near as can be ascertained, that shall be in the funds as treasurer at any one time.

The county treasurer then, upon finding it satisfactory, endorses the bond and files it with the county auditor. (Sec. 176A.14(4))

Resisting a Treasurer

If the treasurer is resisted in attempts to collect taxes or perform any duty of the office, the treasurer may require another person's assistance. If such help is refused, the person refusing pays not more than $10 in fines recovered through a civil action in the county's name. The person resisting the treasurer is subject to the same punishment any individual resisting an officer in any legal process would receive. (Sec. 445.2)

CHAPTER 3

SPECIAL ASSESSMENTS[1]

Special City Assessments

The county auditor shall place city taxes and assessments upon the tax list for the current year, and the county treasurer shall collect city taxes and assessments in the same manner as other taxes.[2] Delinquent city taxes and assessments draw the same interest and penalties as other taxes. Sales for delinquent city taxes and assessments must be made in the manner provided in Section 384.69 and Chapter 446 of the Code. The county treasurer shall combine in one tax sale certificate all taxes and assessments due from the same person and collectible by the county. (Sec. 384.2)

Assessments levied and certified under the provisions of Division IV of Chapter 384 of the Code, including installments and interest are payable at the office of the county treasurer of the county where the property assessed is located or at the office of city clerk, within 30 days after date of certification. (Sec. 384.67)

For a better understanding of services subject to special city assessments, the treasurer is referred to Sections 364.12, 384.4, and 384.37 of the Code.

Alternatives

The taxpayer has three alternatives with regard to the payment of special assessments made by a city.

Assessments may be paid in full and without interest within 30 days of certification, at the office of county treasurer or the city clerk. (Sec. 384.67)

Alternatively, the taxpayer may elect to pay the total assessment in annual installments. The first installment of each assessment or the total amount if less than 50 dollars, is due and payable on July 1 next succeeding the dates of levy, unless the certification of the assessments is filed after May 31 in any year. The first installment shall bear interest on the whole assessment from the date of acceptance of the work by the council to the first day of December following the due date.

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[1]"County must furnish and pay for receipts given in the collection of special assessments as they do in the case of the collection of general property taxes." (Op. Atty. Gen., December 11, 1963)

[2]"The county treasurer has no authority to change or modify a record of special assessment of property as certified to the county auditor by the city clerk." (Op. Atty. Gen., July 31, 1964)

The succeeding annual installments, with interest on the whole unpaid amount, to the first day of December following the due date, are respectively due on July 1 annually, and must be paid at the same time and in the same manner as the September semi-annual payment of ordinary taxes.

All future installments of an assessment may be paid on any date by payment of the then outstanding balance, plus interest to December 1 following the due date of the next maturing installment.

Each installment of an assessment with interest on the unpaid balance is delinquent after the 30th day of September next after its due date, and bears the same delinquent interest with the same penalties as ordinary taxes. When collected, the interest and penalties must be credited to the same fund as the special assessment.

From the date of adoption of the resolution of necessity, all special assessments with all interest and penalties, become and remain a lien on the benefited properties until paid, and have equal precedence with ordinary taxes and are not divested by any judicial sale.

As a third alternative, any property owner may elect to pay one-half of any annual installment of principal, and interest of a special assessment in advance with the second semi-annual payment of ordinary taxes collected in the year preceding the due date of such installment. The county treasurer shall accept such partial payment of the special assessment, and shall credit the next annual installment of such assessment to the extent of such payment, and shall remit the same to the city. (Sec. 384.60, .65)

Property Sold at Tax Sale

Property against which a special assessment has been levied for public improvements may be sold for any sum of principal or interest due and delinquent at any regular or adjourned tax sale in the same manner with the same forfeitures, penalties, right of redemption, certificates, and deeds as for the nonpayment of ordinary taxes. The purchaser at a tax sale takes the property charged with the lien of the remaining unpaid installment and interest. (Sec. 384.69, 446.19)[3]

Benefited Water Districts

The role of the county treasurer with regard to benefited water districts is two-fold. The treasurer is responsible for the sale of bonds and the collection of special assessments in order to retire such bonds. (Sec. 357.22, 455.86)

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[3]At a scavenger sale, the treasurer must sell the property for all taxes due and delinquent at the time of the sale, including special assessment liens; however, the county should only bid for the amount of the general taxes, interest, penalties and costs, and no more. (Op. Atty. Gen., March 2, 1970)

Assessment

Benefited water districts are created by the board of supervisors upon petition of resident property owners in any proposed benefited water district. Assessments are made not to exceed benefits conferred and take into consideration the location and value of the property assessed. The board of supervisors issue bonds against the completed assessment in an amount equal to the total cost of the project, so that the amount of the assessment will be approximately ten percent greater, than the amount of the bonds. (Sec. 357.1, .19)

Assessments of less than ten dollars will become due at the first tax-paying date after the approval of the final assessment. Assessments of ten dollars or more may be paid in ten annual installments with interest at six percent on the unpaid balance. It is for this reason that the board of supervisors issue bonds. (Sec. 357.20)

Sale of Bonds

Each bond sold is numbered, and has printed upon its face that it is a benefited water district bond, stating the county and the number of the district for which it is issued, and the date of maturity; that it is in pursuance of the resolution of the board of supervisors and that it is to be paid for only from special assessment. As one of two alternatives the board of supervisors may sell through the county treasurer, the bonds at not less than par with accrued interest and devote the proceeds to payment for work. Contractors are not to be paid anything on work until its completion and final acceptance. (Sec. 357.21, 455.83, .86)

Tax on Assessment

When the assessment schedule has been turned over to the county auditor, installments due shall be collected in the same manner as ordinary taxes and shall constitute a lien on the property against which they are made. If the treasurer does not receive sufficient funds to enable him to pay the interest and retire the bonds as they become due, there shall be levied an annual tax of eighty-one cents per thousand dollars of assessed value of all taxable property within the district to pay such deficiency, and the county treasurer shall apply the proceeds of such levy to the payment of the bonds and the interest on the same so long as the bonds are in arrears on either interest or principal. (Sec. 357.22)

Additional assessments for improvements determined and fixed by the district trustees, are paid to the county treasurer before improvements are made. Money from additional assessments, when collected, is credited to the fund of the benefited water district and is used to pay off bonds plus interest issued for improvement. Once bonds are paid off, any remaining money is used for maintenance of the district. (Sec. 357.28)

Required Services Not Performed

Special assessments may be made to provide for the payment of services provided by a governmental unit in the absence of performance of such service on the part of an individual.

Eradication of Weeds

After the failure of a landowner to destroy weeds pursuant to an order by the board of supervisors, the cost of such destruction is assessed against the land and collected from the landowner responsible.

A special tax which assessed against the real estate is certified to the county auditor and county treasurer by the clerk of the board of supervisors. The tax is placed on the tax books, and collected, together with interest and penalty due, in the same manner as other unpaid taxes. The tax shall be due on March 1 after such an assessment and be delinquent after March 30. When the funds are collected, said funds shall be paid into the fund from which said costs were originally paid. (Sec. 317.20, .21)

Hedges Along Highways

When a landowner fails to destroy or trim trees or hedges as required by notice of the board of supervisors, the work is done by the county. The cost is certified to the county auditor and the taxes are collected by the county treasurer in the manner other taxes are collected. (Sec. 318.2)

Fire Hazards

When the State Fire Marshall is forced to cause the removal or repair of a building because the owner has neglected to do so, the original cost is paid by the office of the State Fire Marshall but assessed against the owner and collected as other taxes. The amount collected is forwarded to the state treasury to be credited to the proper office. (Sec. 100.29)

Crop Pest Control

In the case of an owner or person in charge refusing or neglecting to obey a notice ordered by the state entomologist or his authorized agents, the department of agriculture undertakes the task. Should the owner fail to pay for costs after legal hearing and notice, an assessment is certified to the county treasurer by the secretary of agriculture. The assessment is entered on the tax books and collected as ordinary taxes are collected. Assessments collected are forwarded to the secretary of agriculture. (Sec. 177A.17)

Fences

If township trustees must act to build or repair a fence and the owners of such land do not pay the cost, the auditor adds it to the tax list and certifies the amount due to the treasurer who collects the same as a regular tax. (Sec. 113.6)

Special Assessments for County Roads

In order to provide for the graveling, oiling, or other suitable surfacing of secondary roads the board of supervisors shall have power, on petition, to establish secondary road assessment districts. (Sec. 311.1)

When the board of supervisors has entered its final order as to the amounts of all special assessments on a given improvement, the county auditor shall at once certify a list of such assessments and a list of real estate upon which each assessment has been levied, with the specific designation of the district embracing such real estate, to the county treasurer, who shall enter each assessment on the tax books and continue such entry until such assessment is paid.

Each special assessment and all installments shall be a lien upon the real estate upon which it is levied from the date of such certificate by the county auditor to the same extent and in the same manner as taxes levied for state and county purposes. Changes in the amount of any special assessment by reason of any ruling of the district court of appeals shall likewise be certified and the county treasurer shall make the proper correction on the books. (Sec. 311.26)

Separate Funds

It should be kept in mind that each assessment district is considered a separate unit and all funds received by the county treasurer for or on behalf of such a unit shall be kept in a separate and distinct account under the specific name used by the board of supervisors in establishing the unit. (Sec. 311.27)

Payment of Assessments

The entire amount of assessments and all installments upon real estate in a given district is due and payable upon final determination of the board of such levies. The entire amount due shall bear interest at six percent per annum commencing twenty days from the date of said levy, and shall be collected at the next succeeding March semi-annual payment of ordinary taxes. Assessments of ten dollars or less are due and payable from the date of the levy by the board of supervisors or in the case of appeal upon the date of final confirmation of the levy by the court. (Sec. 311.16, .19)

Installments

Private owners of any tracks of land on which the assessment is in excess of ten dollars may file with the county auditor, in writing, a request to pay the assessment in ten equal installments. In doing so the owner sets aside any objections to the assessment. Interest on such assessments is six percent per annum. The first installment shall be payable on the date of the agreement. The other installments with interest on the whole amount unpaid shall be paid annually thereafter at the same time and in the same manner as the March semi-annual payment of ordinary taxes.

An owner of land who has availed himself of the ten year installment option may at any time discharge the assessment by paying the balance then due on all unpaid installments, with interest on the entire amount of the unpaid installments for thirty days in advance. (Sec. 311.17)

Delinquent Assessment Penalties

Such taxes become delinquent on the first day of March next after their maturity. The taxes bear the same interest, the same penalties, and are attended with the same rights and remedies for collection, as ordinary taxes. (Sec. 311.18)

Assessments of Public Lands

Assessments against lands owned by the state, county, or city, shall be due and payable from the date of levy by the board of supervisors, or in the case of any appeal, from the date of final confirmation of the levy by the court. (Sec. 311.19)

Soil Conservation Subdistricts

Special assessments may be made for the support of said conservation subdistricts. The following explains the procedure. The treasurer should also note, however, that soil conservation subdistricts may also be supported by a special tax based on assessed valuation. Please see Chapter 2 for a discussion of taxation based on assessed valuation.

Special Assessment

Special assessments may be made, after the proper agreements have been reached, based on benefits. Upon receiving certification from the governing body of a district, the board of supervisors shall levy the proper assessments. Each person or corporation has the right to pay the assessment in full within twenty days of the assessment without interest. Should the assessment not be paid within the specified time, the assessment shall bear interest at not more than four percent per annum from the date payable. Assessments are paid at the office of county treasurer and are to be kept in a separate account by the appropriate county treasurer or treasurers identified by the official name of the subdistrict. Expenditures from the account are made on requisition of the chairman and secretary of the governing body of the subdistrict. (Sec. 467A.33, .34)

Installments

Any owner of land against which the levy exceeds twenty dollars, may within thirty days from the date of the levy, make arrangements in a separate agreement to pay the assessment in installments. However the owner may not make any objection as to the legality of the assessment for benefit or the levy of taxes. The owner has two installment alternatives.

First, the owner may pay one-half of the amount at the time of filing the agreement and the remaining one-half shall become due and payable one year from the date of filing of the agreement. If paid at said times, the assessment shall be without interest. If not assessments shall bear interest from the date of the levy at a rate of four percent per annum, payable annually, and be collected as other taxes on real estate, with like penalty for delinquency.

As an alternative the owner may pay the assessment in not less than ten nor more than forty equal installments. The number of installments and interest, not to exceed four percent per annum, is fixed by the governming body of the subdistrict. The first installment of each assessment shall become due and payable at the October semi-annual tax paying date after the date of filing. Should the agreement be filed with the county auditor less than thirty days prior to such October semi-annual paying date, the first installment is then due and payable at the next succeeding October semi-annual tax paying date. The second and subsequent installments are due and payable at the October semi-annual paying date each year thereafter. All such installments shall be collected with interest accrued on the unpaid balance as other taxes on real estate, with like penalty for delinquency. (Sec. 467A.33)

Delinquent Special Assessments

On or before July 31 of each year, the county auditor shall make an entry upon the special assessment tax list showing what it is, for what county, and deliver it to the county treasurer. Such a list is sufficient authority for the treasurer to collect the taxes therein levied. No informality nor delay in delivering the list after the time specified, shall affect the validity of any special assessment taxes sales or other proceeding for the collection of such special assessment taxes. The county treasurer shall each year, upon receiving the tax list, enter in red ink upon the same, in separate columns opposite each parcel of real estate upon which the special assessment remains unpaid for any previous year, the book, page, and line number of the special assessment tax list where such special assessment levy and the amount so levied may be found. (Sec. 445.11-.14)

Correction of Errors

When errors are made in the special assessment of property, a reassessment and relevy is made in conformity with the correction. A tax collected in excess of the proper amount must be refunded to the person paying the same. Corrected assessments are a lien on the lots the same as the original assessment must be certified by the city clerk to the county auditor and must so far as practicable, be collected in the same installments, draw interest at the same rate, and be enforced in the same manner as the original assessment. (Sec. 384.74)

CHAPTER 4

DRAINAGE DISTRICTS

Drainage Assessments

Creation of Districts

The board of supervisors or a drainage district board of trustees can establish a drainage district in the county in order to construct levees, ditches, and other improvements to benefit the land within a district. The creation of a district or improvements in it are paid for by those people who benefit. (Sec. 455.1, 462.27)

Each drainage district has its own fund kept by the treasurer of the county in which the district is located. All money collected for this district is deposited in the fund. Money from this may be paid out only on a board order for purposes linked with the given district. (Sec. 455.61)

Drainage assessments as fixed by the board of supervisors or board of trustees are levied as a tax on the property concerned, bear interest not to exceed seven percent, and are payable yearly unless provided otherwise.[1] Drainage assessments are collected by county treasurers in the same manner as general taxes and are enforced by the sale of property. Such assessments are recorded on tax records of the county in which the district is located and a drainage assessment record is kept on each person owning land in the district. (Sec. 455.57, .60, 462.27)

Drainage Assessments Due and Payable

All assessments and benefits are levied at one time against the property benefited, and when levied and certified by the board, shall be payable at the office of county treasurer. Each person or corporation has the right with twenty days after the levy of assessments, to pay the assessment in full without interest. A person or corporation also has the right to pay the assessment in full before any warrants against assessments, improvement certificate or drainage bond is issued therefore. Further, any person or corporation may pay off a certificate at any time after issue, with accrued interest. (Sec. 455.63)

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[1]Where a drainage tax levied under Section 455.57 is not paid it shall draw interest not to exceed seven percent per annum from the date of the assessment and levy, and if the taxpayer does not pay the tax and does not sign the waiver agreement under Section 455.64, half of the tax becomes delinquent on October 1, and the second half becomes delinquent on April 1, succeeding the levy and these delinquent amounts are subject to a one percent per month penalty as are other property taxes, in addition to the interest rate. (Op. Atty. Gen., October 23, 1967) Please note that delinquent dates have been altered to fit the requirements of the fiscal year. Drainage assessment levies bear interest from the date of levy. (Op. Atty. Gen., September 12, 1975)

All assessments of less than $20 are to be paid in cash. The time within which assessments over $100 may be paid in cash is established by the board. (Sec. 455.90, .91)

Assessments over $100 may be paid in an equal number of installments as long as the taxpayer agrees in writing within thirty days of the levy that he will not object to the legality of such an assessment. When such an agreement has been signed the taxpayer may choose one of two ways to pay the installments. One such choice is paying the assessment in three equal installments. The first third is paid when the agreement not to object is signed, the second third within twenty days after the engineer certifies the project is half finished, and the remaining third within twenty days after the board has accepted the project. If it is paid in this manner, no interest is charged if paid at said times. Otherwise the assessment will bear an interest not to exceed seven percent per annum paid annually. The other choice would be to pay the assessment in no fewer than ten nor no more than twenty equal payments (the number of payments and interest of no more than seven percent being set by the board). In this case the installments are due annually on the September semi-annual tax due date. At this time the county treasurer need only collect that portion of the installment which will meet the interest and the amount maturing on bonds before the next semi-annual tax due date. The balance of the installment is collected with the second half of taxes without penalty. (Sec. 455.64)

When a person has filed an appeal in regard to the amount of his assessment, he may pay the adjusted assessment in installments, if within twenty days of the new assessment he files his wish to pay in installments with the auditor. In order to be eligible to pay the adjusted assessment in installments, the property owner must also pay any installments which would have been due at that time if no appeal had been made, plus interest to the last interest due date. (Sec. 455.65)

Delinquent Drainage Assessments

Drainage assessments which become delinquent are subject to the same penalties as delinquent taxes. The interest and penalties collected on delinquent drainage assessments are credited to the district in which they were collected. (Sec. 455.61, .62)

Warrants and Bonds Received for Assessments

The board of supervisors may issue drainage warrants on district funds with interest not to exceed seven percent to pay for drainage district improvements. No drainage warrant may be issued for more than $1,000. These are numbered and have a maturity date so that they may accumulate interest from the date issued without presentation for payment and marked unpaid for lack of funds. The payment of interest ends 30 days after the mailing of a notice informing the holder that the treasurer has sufficient funds to pay the holder's warrant. Such warrants may be used as payment to the construction company or sold for face value plus accrued interest. These warrants may be held by any taxpayer within the district and applied at face value on the assessment levied to create the district. If the warrant

upon presentation exceeds the amount the individual was assessed, the treasurer cancels such warrant and issues a certificate to the holder for the excess. This certificate is filed with the auditor who issues a warrant for the amount. (Sec. 74.5, .6, 455.75, .79)

Improvement Certificates

As noted in Section 455.64, the board may provide for payment of assessments in not more than twenty annual installments at an interest rate not to exceed seven percent per annum. The board may issue warrants bearing interest at the same rate, which warrants shall be numbered and state a maturity date in which event they shall bear interest from the date of issuance without being presented for payment and marked unpaid for want of funds. The warrants may be sold by the board for cash in an amount not less than the face value thereof, together with accrued interest of any. (Sec. 455.77) Interest on such warrants shall be paid by the taxpayer.

Such certificate shall state the amount of one or more drainage assessments or part thereof made against the property, designating it and the owner thereof liable for the payment of such assessments. The certificate is negotiable and transfer to the bearer all right and interest in and to the tax in every such assessment or part thereof described in such certificate and shall authorize the bearer to collect and recover every assessment embraced in said certificate. The certificate bears interest not to exceed seven percent per annum, payable annually by the taxpayer to the county treasurer, who shall receipt for the same and cause the amount to be credited on the certificate held by the bearer. (Sec. 455.78, .79)

Drainage Bonds

When a drainage district has been established or the making of any subsequent repair or improvement undertaken and if the board of supervisors find that the cost of such improvement will create assessments against the land included therein greater than should be levied in a single year upon the lands benefited by such an improvement, then, instead of issuing improvement certificates, as provided in Sections 455.77 to 455.80 the board may fix the amount that shall be levied and collected each year until such cost and expenses are paid, and may issue drainage bonds of the county covering all assessments exclusive of assessments of one hundred dollars and less. The board of supervisors may sell the bonds through the county treasurer at not less than par with accrued interest and devote the payments to such payment. Any premium derived from the sale of said bonds shall be credited to the drainage fund of the district. (Sec. 455.81, .86)

Payment of Monthly Estimates

The supervising engineer shall, on or before the tenth day of each month, furnish the contractor and file with the county auditor estimates for work done on drainage districts during the preceding month. The auditor either draws warrants in favor of the contractor on drainage funds of the district or gives to the contractor an order directing the county

treasurer to deliver to him improvement certificates or drainage bonds as the case may be, for 90 percent of the estimate on work done. When the work has been completed and accepted, the remaining ten percent is furnished in the same manner. (Sec. 455.110, .113)

Settlement for Damage by Federal Locks and Dams

As a result of the construction or operation of locks, dams, and pools in the Mississippi or Missouri rivers, the impairment of functions or an increase in the cost of maintenance or operation of drainage districts may occur. If a lump sum settlement is made between the United States and the district to provide an annual payment of income therefrom, the county treasurer of the county in which the greater portion of the district is situated shall be custodian of such principal fund. (Sec. 455.162)

Purchase of Tax Certificate

Please see Chapter 8 for a discussion of the treatment of unpaid assessments on drainage or levy districts. (Sec. 455.172, .175, .177, and .178)

Assessment of Public Highways and State-Owned Land

When any public highway or other public land extends into or through a levee, drainage, or highway district, assessments are made accordingly. Such assessments made against primary highways and other state-owned lands under the jurisdiction of the state DOT are paid by the DOT from the primary road fund on due certification of the amount by the county treasurer. Assessments on secondary roads and other county owned lands under the jurisdiction of the board of supervisors are paid out of the secondary road maintenance and/or construction funds. Assessments against lands used by the state conservation commission shall be paid by the state conservation commission from the state fish and game protection fund and/or state conservation fund, upon certification of the amount by the county treasurer. (Sec. 455.50, 460.8)

Intercounty Drainage Districts

It is possible that a drainage district will extend into more than one county. When this is the case, the county treasurer of the county having the largest number of acres within the district is charged with all the funds of the district. The treasurers of the other counties in the district make payments at least once a year of any funds for the district received in that time to the treasurer charged with the funds. However, any funds for payment on improvement certificates or bonds are distributed by the treasurer of the county in which the land concerned is located. (Sec. 457.30)

Dissolution of a Drainage District

When a drainage district is to be dissolved and the funds plus outstanding assessments will not cover the cost, it is assessed by the board against the property in the district. If any money remains after the district is dissolved it is prorated to landowners in the district who have paid their assessments. (Sec. 456.5)

Pumping Station Bonds

The board of supervisors may establish and maintain pumping stations in counties in which drainage or levee districts have been established. The cost of construction and maintenance of such pumping stations are levied upon and collected from the lands benefited by such pumping stations, in the same manner as provided for in the construction and maintenance of drainage or levee districts. (Sec. 461.1)

Funding bonds may be provided for by the board of supervisors should ten percent of owners of land in a drainage or levee district having and operating a pumping station petition the board to extend the time of payment of assessments. The bonds shall be issued in sums of not less than one hundred dollars or more than one thousand dollars each, running not more than 20 years, bearing interest not exceeding six percent per annum, payable annually, or semi-annually and shall be substantially in the form provided by law for funding bonds issued for drainage purposes.

When the bonds have been properly executed they are delivered to the county treasurer and the receipt taken therefor. The county treasurer shall register the bonds in a book provided for that purpose, which shall show the number of each bond, its date, date of sale, amount, date of maturity, and the name and address of the purchaser, and if exchanged what evidence of debt were received therefor, which record shall at all times be open to the inspection of the owners of property within the district. The treasurer shall certify on the back of each bond as follows:

"This bond duly and properly registered in my office this ..... day of ....., 19...

.....

Treasurer of the county of

....."

The treasurer shall report under oath to the board of supervisors, at each first regular session in each month, a statement of all such bonds sold or exchanged and when exchanged a description of the indebtedness for which it was exchanged. The bonds shall be sold for cash on the best available terms or exchange them on like terms for legal indebtedness of the district evidenced by bonds, warrants, or judgments outstanding at the date of the passage of the resolution authorizing the issue thereof. In no case may the bonds be sold or exchanged for a sum less than their face value and all interest accrued at the date of sale or exchange. (Sec. 461.17-.19)

Drainage Refunding Bonds

The board of supervisors may issue drainage refunding bonds for the purposes set out in Chapter 463 of the Code. The role of the treasurer in the sale of these bonds is exactly the same as that in the sale of Pumping Station Bonds. (Sec. 463.1, .14, .15, .16)

Defaulted Drainage Bonds

Actions ordered by the district court with regard to defaulted drainage bonds are reported to the clerk of district court and the county auditor. The schedule of payments of indebtedness of said drainage district as fixed and determined by the court shall be entered upon the drainage records of the drainage district and also spread upon the tax records of the county and shall become due and payable at the same time as ordinary taxes with the same penalities for delinquency, and the same manner of enforcing collection by tax sale. (Sec. 464.8)

Drainage Districts in Connection with United States Levees

Any cooperative effort with the federal government undertaken by the board of supervisors of border counties containing levees constructed on navigable streams by the United States, may result in a tax levy in support of such an effort. The taxes are levied and entered on the tax book at the time of general taxes and shall be collected by the county treasurer at the same time and same manner, and with the same penalities as general taxes. (Sec. 466.6)

CHAPTER 5

MOBILE HOMES

Collection of the Tax

There is a semi-annual tax on mobile homes due and payable to the county treasurer before January 1 and July 1 in each year; and shall be delinquent February 1 and August 1 in each year, after which a penalty of one percent shall be added each month until paid. The semi-annual payment of taxes and license may be paid at one time if so desired. (Sec. 135D.22, .24)

The county treasurer must publish in a newspaper of general circulation in the county, a notice to mobile home owners, which shall include the date the tax becomes delinquent and the applicable penalties for delinquency. The notice is to be published not more than thirty days nor less than ten days prior to the date the tax becomes delinquent. A mobile home parked and put to use any time after January 1 or July 1 shall be immediately subject to taxation, prorated for the remaining months or days of the tax period. (Sec. 135D.24)

The mobile home owner shall register the address, township, and school district, of the location where the mobile home is parked with the county treasurer. Each mobile home park licensee must report to the county treasurer on or before the tenth day of January and July, an accurate and complete record of the number of units of mobile homes harbored in his park, listing the owners name, year, and make of the unit and whether there is a current registration plate. The licensee must also make monthly supplementary reports to the county treasurer listing arrivals, departures, and unlicensed mobile homes. The county treasurer shall report the name of any owner of a mobile home and the year, make, and serial number of each unit on which there is no current registration plate to the county sheriff. (Sec. 135D.24)

If one or more persons occupying a mobile home, bearing a foreign registration are employed, there is no exemption from Iowa registration and tax. The tax and registration fee shall be a lien on the vehicle senior to any other lien there may be upon it. (Sec. 135D.24)

The Tax Schedule

Computation of Tax

The semi-annual tax is computed by multiplying the number of square feet of floor space each mobile home contains when parked and in use by ten cents. In computing floor space, the exterior measurements of the mobile home shall be used as shown on the certificate of registration and title, but not including the area occupied by a hitching device. (Sec. 135D.22(1))

The full semi-annual tax shall be paid for all mobile homes for the first five years after the year of manufacture. For the sixth through ninth years after the year of manufacture, the semi-annual tax shall be ninety percent of the tax computed. For all mobile homes ten or more years after the year of manufacture the semi-annual tax shall be eighty percent of the tax computed. (Sec. 135D.22(3-5))

The tax and penalties collected shall be apportioned in the same manner as though they were levied on real property at the same location as the mobile home. (Sec. 135D.25)

Exemptions

Manufacturer's and dealer's inventory of mobile homes not in use as a place of human habitation are exempt from the semi-annual tax and personal property tax. (Sec. 135D.23)

When the owner of a mobile home is any educational institute and the mobile home is used solely for student housing or when the owner is the state of Iowa or a subdivision thereof, the owner is exempt from the tax. (Sec. 135D.22(1))

If the owner of the mobile home is totally disabled as defined in Section 425.17, Subsection 6 of the Code, is a surviving spouse having attained the age of fifty-five years not later than December 31 of the base year, or was sixty-five years of age or older not later than December 31 of the base year, and the income when combined with that of the spouse is less than one thousand dollars per year, no semi-annual tax is imposed on the mobile home.[1]

A reduced rate of taxation is allowed for the elderly, as defined in the above paragraph, for various incomes as follows: (Sec. 135D.22(2))

INCOME	TAX/SQUARE FEET
$1,000 or more but less than $2,000	.5¢
$2,000 or more but less than $3,000	1.5¢
$3,000 or more but less than $4,000	3.0¢
$4,000 or more but less than $5,000	4.5¢
$5,000 or more but less than $6,000	5.5¢
$6,000 or more but less than $7,000	6.5¢
$7,000 or more but less than $8,000	7.0¢
$8,000 or more but less than $9,000	7.5¢

In order to qualify for a reduced rate, the home owner eligible for a reduced tax rate must file a claim for such a tax rate with the county treasurer before February 1 of each year. Claims filed after February 1, but before August 1, shall be applicable to the semi-annual tax payment due August 1 only. (Sec. 135D.22(7))

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[1]"A divorced husband or wife is not a 'surviving spouse' and therefore, does not, upon attaining the age of 55 years, qualify for the semi-annual mobile home tax reduction." (Op. Atty. Gen., March 21, 1977)

State Reimbursement

On or before March 15 of each year the county treasurer shall prepare a statement listing for each taxing district in the county the total amount of taxes which will not be collected by reason of the reduced tax rate granted. The county treasurer shall certify and forward the statement to the director of revenue not later than March 15 of each year. The amounts due each county shall be paid in two equal payments by the state comptroller on April 15 and October 15 of each year drawn upon warrants payable to the respective county treasurers. The payments are apportioned in the same manner as though they were proceeds of taxes levied on real property at the same location as the mobile home. (Sec. 135D.22, .25)

Tax Credit Eligibility of Mobile Homes

Mobile homes are not assessed for property tax nor are the owners eligible for homestead tax credit or military service tax credit unless certain conditions are met. A mobile home can be converted into real estate three ways thus making it subject to property tax provisions and credits. If the mobile home is attached to a permanent foundation or the vehicular frame altered such that it can not be reconverted it is considered real estate. The assessor plays an important role in determining if conversions are sufficient to change the tax status of mobile homes. If a mobile home is properly converted the assessor will collect the mobile home title, registration, and license plates from the owner and enter the property upon the tax roles. (Sec. 135D.26)

However, the license plates shall not be collected by the assessor should the owner retain the plates for attachment to another mobile home. (Sec. 135D.26 as amended by S.F. 167, Sec. 1, (67th Iowa General Assembly, 1st Sess., 1977))

Treasurer Notified of Sale

Mobile home manufacturers and dealers shall, within ten days after any retail sale and delivery of a mobile home, notify the county treasurer of the county in which the point of delivery is located of the sale, the name of the purchaser, the point at which delivery to the purchaser is made, and the serial number and exterior measurements of the mobile home. (Sec. 135D.27)

CHAPTER 6

TAX CREDITS

Homestead Tax Credit

On or before August 1 of each year, the county auditor shall certify to the county treasurer, all homestead exemption claims allowed by the board of supervisors. The certificates shall list the total amount of dollars, listed by taxing district in the county, due for homestead tax credits claimed and allowed. The treasurers shall then certify the same to the department of revenue. (Sec. 425.4)

The homestead credit fund maintained by the state is apportioned each year in order to give a credit against the tax on each eligible homestead in the state. The credit fund shall be apportioned each year so as to give a credit against the tax on each eligible homestead in the state in an amount equal to the actual levy on the first 4,500 dollars of actual value for each homestead. Every six months the department of revenue certifies and remits to the county treasurer of each county, the total amount of money which has been apportioned to that county. Annually the department of revenue estimates the amount of revenue available for distribution in the ensuing year and certifies to the county auditor and credit and amount of dollars.

After proper documentation of credits by the auditor, the amount of credits is apportioned by the treasurer to the several taxing districts in the same manner as though the amount of the credit had been paid by the owners of the homesteads. Taxing districts are not permitted to draw funds credited until the semi-annual allocations have been received by the county treasurer. The treasurer shall show on each tax receipt, the amount of credit received from the homestead credit fund. The homestead tax credit allowed shall not exceed the actual amount of taxes payable on the eligible homestead exclusive of any special assessments levied against the homestead. (Sec. 425.1 as amended by H.F. 332, Section 1, (67th Iowa General Assembly, 1st Sess., 1977))

In any case where a homestead credit claim is disallowed by the director of revenue and no petition for judicial review is filed with respect to such disallowance, any amounts of credits allowed and paid from the homestead credit fund shall become a lien upon the property on which said credit was originally granted, if still in the hands of the claimant. Any amount erroneously paid shall be collected by the county treasurer in the same manner as other taxes. The collected funds are returned to the department of revenue and credited to the homestead credit fund. (Sec. 425.7)

When a claim is allowed, and subsequently reversed an appeal, any credit made shall be void and the amount of credit charged to the property in question. The amount of credit when collected, shall be returned by the

treasurer to the homestead credit fund to be reallocated the following year. The treasurer must also make certain to correct the books and records accordingly. (Sec. 425.10)

If the amount of credit apportioned to any homestead in any year exceed the total tax, exclusive of any special assessments levied against said homestead, the excess is to be remitted by the treasurer to the department of revenue to be reallocated the following year.

In the event a claim for credit is denied by the board of supervisors, and subsequently reversed an appeal, the same credit is allowed the homestead in question as other homesteads. The treasurer must again be certain to change the books and records accordingly. In the event the appealing taxpayer has already paid one or both tax installments for the year in question, remittance is made to the taxpayer in the amount of the credit. This credit is paid from the surplus remitted to the department of revenue. (Sec. 425.9)

When the owner of the land eligible for homestead credit is a veteran of our United States military force and obtained his land according to Title 38, Chapter 21, Section 801 and 802 of the United States Code (Veteran's Eligible Assistance: Limitations on Assistance Furnished), his homestead credit is equal to the total tax due as long as the income of the owner and spouse for the previous year was less than $5,000. (Sec. 425.15)

Military Service Tax Credit

On or before August 1 of each year the county auditor shall certify to the county treasurer all claims for military service tax exemptions which have been allowed by the board of supervisors. The certificate shall list the total amount of dollars, listed by taxing district in the county, due for military tax credits claimed and allowed. The county treasurer shall then certify the same to the department of revenue. (Sec. 426A.3) On March 25 and September 25 of each year the director of revenue shall certify to the comptroller the total credits claimed by each county. Upon the receipt of the certification, the comptroller shall draw warrants to the treasurer of each county payable from the military tax service credit fund in the amount claimed. Should the fund be insufficient to pay credits claimed in full they are to be paid on a pro rata basis. (Sec. 426A.4)

The amount received by the treasurer is apportioned to each district in the proportion that the general property tax levy of the district is to the levy on all property taxes by all districts. (Sec. 426A.5)

If it happens that the amount credited to a property eligible for such credit is more than the total tax due, the excess is remitted to the department of revenue and redeposited in the military service tax credit fund, for reallocation the following year. It is also possible that a person whose taxes are paid has applied for service credit. If his claim to credit is approved, the amount of credit due him is paid by the treasurer from any excess remitted to the department of revenue. (Sec. 426A.8)

In the event a claim is allowed, and then reversed on appeal, the amount of credit shall be charged against the property in question. The treasurer is then authorized and directed to correct the books and records. The credit when collected is returned by the treasurer to the military service tax credit fund. (Sec. 426A.6, .9)

Tax Credit Eligibility of Mobile Homes

Mobile homes are not assessed for property tax nor are the owners eligible for homestead tax credit or military service tax credit unless certain conditions are met. Please see chapter 5, MOBILE HOMES for a discussion of conversion to real estate which may result in qualification for tax credits.

Agricultural Land Tax Credit

Agricultural lands, all tracts of land of ten acres or more excluding any buildings or other strucutres located on such land, and not laid off into lots of less than ten acres or divided by streets and alleys into parcels of less than ten acres, lying within a school corporation and used for agricultural or horticultural purposes, are eligible for agricultural land credit.

After receiving the proper certifications from the county auditor and during the following fiscal year, the state comptroller shall draw warrants on the agricultural land credits fund payable to the county treasurer in the total amount certified by the auditor and mail said warrants to the auditor in two equal payments on or before September fifteenth and March fifteenth of each fiscal year. In the event the agricultural land credits fund is insufficient to pay in full the total amounts certified by the county auditor, the state comptroller shall prorate the fund to the county treasurer and notify the auditor of the pro rata percentage on or before August first. (Sec. 426.7 as amended by H.F. 332, Section 12, (67th Iowa General Assembly, 1st Sess., 1977))

The county auditor upon receipt of warrants delivers them to the treasurer for apportionment. The county auditor determines the amount to be credited to each tract of land and enters on the tax list a credit against the tax levied on such land before forwarding the list to the treasurer. The treasurer shows on each tax receipt the amount of tax credit for each tract of agricultural land. In case of a change of ownership the credit shall follow the land. (Sec. 426.8)

Tax Credit for Livestock Tax

Owners of livestock are not liable for personal property taxes levied on all livestock. A tax credit is allowed each taxing district in the state based on livestock assessed as of January 1, 1973. Amounts due each taxing district are paid on warrants payable to the respective county

treasurer in two equal payments by the state comptroller on March 15 and September 15 of each year. The treasurer then apportions the proceeds to the various taxing districts in the county. (Sec. 427.17)

Personal Property Tax Credits

The department of revenue audits the county auditors' yearly statements of personal property taxes not to be collected due to credits allowed under Chapter 427A of the Code. A copy of the audit containing disallowed credits shall be sent to the county treasurer in order that they may correct their books and records accordingly. (Sec. 427.6)

A personal property tax replacement fund has been established in the office of the treasurer of the state in order to reimburse taxing districts for their loss of revenue from personal property taxes due to the phase out of personal property taxes. The amount of reimbursement due each taxing district shall be paid in the form of warrants payable to the respective county treasurers by the state comptroller in two equal payments on September 15 and March 15 of each year. (Sec. 427.12)

Property Tax Relief for Elderly and Disabled

In addition to the homestead tax credits allowed under Section 425.1, persons who own or rent their homesteads and whc meet the qualifications provided under the Property Tax Relief for Elderly and Disabled division of Chapter 425 are eligible for an extraordinary property tax reimbursement payable in September of any year. (Sec. 425.16)

The treasurer is advised to consult the Code and yearly updates on this subject due to frequent adjustments in the law.

The director of revenue shall make available suitable forms and instructions for claimants. Each assessor and county treasurer shall also make such forms and instruction available. The deadline for filing such claims with the department of revenue is on or before July 31 of each year. (Sec. 425.20, .25)

CHAPTER 7

APPORTIONMENT OF FUNDS

Separate Funds

The county treasurer is required to maintain a separate account of the several taxes for state, county, school, highway, or other purposes and of all other funds created by law, whether regular, temporary, or special. No moneys in a given fund may be paid out or used for any other purpose, except as specifically authorized by law. (Sec. 334.8)

Upon the approval of the state appeal board, the board of supervisors may authorize temporary or permanent transfers of money from one fund to another; but in no event may funds for secondary road construction or maintenance be transferred. In the case of inactive funds transfers may be made by resolution of the board of supervisors. (Sec. 24.21, .22)

The treasurer shall be directed by the board of supervisors to refund any tax or money which has been collected by error or in an illegal manner, with all interest and costs. (Sec. 445.60)

Monthly Apportionment

On or before the tenth day of each month, the treasurer shall apportion all taxes collected during the preceding month among the several funds to which they belong according to the amount levied for each fund, and the interest and penalties thereon to the general fund. The treasurer shall enter the amount upon the cash account and report the amount of each tax and the interest and penalties collected to the county auditor, who shall charge the treasurer in each fund with the same. (Sec. 445.57)

Any interest or penalty on delinquent taxes apportioned or transferred to any fund other than the general fund, together with a penalty of ten percent and interest at six percent on the aggregate, from the time such tax is due and payable, may be recovered in a civil action brought against the county treasurer and the bondsmen by any person in control of the fund affected. (Sec. 445.58)

Monthly Apportionment of City and Township Taxes

On or before the third Monday of each month, the county treasurer shall pay to each city and township the tax revenues collected, specifying the amount collected for each fund up to the first day of that month. A receipt for taxes received shall be issued to the county treasurer. (Sec. 384.11)

When the office of township clerk has been abolished, all tax revenues are paid to the treasurers or clerks of cities that would have otherwise been paid to the township clerk. (Sec. 359.27)

Payments to the State

The county is responsible to the state for the total amount of taxes which are levied for the state and collected by the county treasurer. This amount does not include taxes which have been reported as unavailable, or erroneous. Each month, before the fifteenth, a statement of the state money in the treasurer's office as of the first of the month is typed in triplicate. One copy is mailed to the state treasurer along with the state money, a second copy is mailed to the state comptroller, and the third copy is filed by the treasurer. The county treasurer may pay the state with any kind of money which he is authorized to collect for taxes. It is possible that the state treasurer designate a bank into which the treasurer should deposit the state's money each month. A statement of the amount deposited is still mailed to the state treasurer. (Sec. 334.9-.10, 452.1)

Should the treasurer fail to send the report of state money to the state comptroller by the fifteenth of the month, he is charged a ten percent fine on the total due and interest of six percent per year on the aggregate from the time the account should have been made. Likewise, should the treasurer fail to pay the tax money owed the state by the fifteenth of each month, he is charged a 20 percent fine on the amount due plus interest of six percent per year on the total amount due. In both cases, the total amount plus penalty are recovered by action of the state on the treasurer's bond. In the case of failure to pay over state money, the treasurer must also forfeit his office. The treasurer is allowed a legal defense at his own expense. (Sec. 8.6(4), 8.8-.10)

Other Moneys Apportioned

Tax on Loan Agencies

Taxes are levied on capital used in the business of making loans or investments within the state of Iowa, at a rate of five mills per dollar. Moneys and credits of credit unions are exempt to $4,000 plus any investment in United States government securities. This tax is collected by the county treasurer, and apportioned according to percentages established by law. The taxes on moneys and credits on credit unions and similar lending businesses collected within a city are apportioned 50 percent to the general fund of the state, 30 percent to the city general fund, and 20 percent to the county general fund. Those funds collected outside cities are apportioned 50 percent to the county general fund and 50 percent to the general fund of the state. (Sec. 430A.3, 533.24)

Interest, Penalties, and Collector Fees

In addition to the share of the tax money collected, which goes to the county general fund, all interest and penalties which have been collected on taxes or paid on investments are credited to the county general fund unless laws provide otherwise. Also, any collector fees which are paid must be paid from the county general fund. (Sec. 445.52)

County Hospital Funds

Following the apportionment of county funds, and before the third Monday of each month, the chairman of the county hospital board is notified by the county treasurer of the amount of money in each fund for the hospital as of the first of the month. (Sec. 347.12)

Monthly Apportionment of School Taxes

Before the fifteenth day of each month in each year, the county treasurer shall notify the president of the board of each school corporation in the county of the amount of taxes collected for each school fund to the first day of that month. The president of the school corporation draws a draft, countersigned by the corporation secretary, upon the county treasurer, who then pays the taxes to the respective school board treasurers. (Sec. 298.13)

Semi-Annual Apportionment of School Funds

The county auditor, on the first Monday in April and the first Monday in October of each year, apportions the school tax, the interest earned from the permanent school fund, rents on unsold school lands to which the county is entitled as shown in notice from the state comptroller, and all other previously unapportioned money in the hands of the county treasurer belonging in common to the schools of the county. This would include the temporary school fund which is received and apportioned in the same manner as the interest of the permanent fund. The moneys are apportioned among the school corporations in proportion to the number of persons of school age as shown by the reports filed with the state department of public instruction for the year immediately preceding.

The county treasurer is immediately notified of the apportionment and the amount due each school corporation. The county treasurer, in turn, notifies the president of each corporation and pays out the apportionment in the same manner as other school moneys. (Sec. 298.11, 302.3)

Settlement of School Fund

The county treasurer is required to maintain, as is the county auditor, an account known as the school fund account. A memorandum of all notes, mortgages, bonds, money, and assets of every kind that come into the hands of the auditor is to be entered. Separate accounts of principal and interest are to be kept. The auditor and treasurer also keep an account of all school funds coming into the hands of the treasurer. A settlement of this account is to be made to the board of supervisors at its January and June sessions. (Sec. 302.31)

Merged Area Schools

Property taxes levied in a merged area to support an area vocational school or area community college are paid by the county treasurer to the treasurer of the merged area in the same manner that other school taxes are paid to local school districts. (Sec. 280A.17)

The county treasurer also collects and remits to the treasurer of a merged area any taxes voted to be collected for construction or remodeling physical structures of an area vocational school or area community college. (Sec. 280A.22)

Monthly Reports on Apportionment

The apportioned taxes and the interest and penalties collected for each fund during the previous month are reported to the county auditor by the treasurer on or before the tenth day of each month. The auditor keeps a complete record of the balance in each fund each month as reported by the treasurer and charges the treasurer with the amount reported. The treasurer is credited by the auditor for money disbursed for double and erroneous assessments, including all improper and illegal assessments the correction or remission of which causes a diminution of the tax, and for unavailable or uncollectable taxes, as directed by the board of supervision. (Sec. 445.57, .59)

Semi-Annual Report of Settlement

Twice each year, at the July and January meetings of the board of supervisors, the county treasurer must make a full and complete settlement with the board. The treasurer must produce and count in the presence of the board all moneys or funds then on deposit in the safe or vault in the office, and produce a statement of all money or funds on deposit with any depository where funds are authorized to be kept, as of the close of business the day previous to settlement. Such a statement must be certified by one or more officers of the depository. In addition, the treasurer must file a statement summarizing the numbers, dates, and amounts of all outstanding checks or other items of difference, thus balancing the treasurer's book with those of the depositories.

The report of this settlement is filed by the treasurer with the county auditor. (Sec. 452.6, .11, .13)

Loans by County Treasurers

Upon conviction a county treasurer shall be fined in any sum not exceeding one thousand dollars for loaning out, or in any manner using for private purposes, state, county, or other funds in his hands. (Sec. 452.4)

CHAPTER 8

COLLECTING DELINQUENT TAXES

Liens on Property

Taxes on real estate shall be a lien thereon against all persons except the state. All personal property taxes due from a person shall be a lien upon any real estate owned by that person or any real estate acquired in the levying county for a period of one year following June 30 of the year of the levy. From and after the expiration of one year the taxes shall be a lien on all such real estate for an additional period of nine years provided the due taxes are entered upon the delinquent personal tax list as provided by law. However, in no instance shall due taxes be a lien after the expiration of ten years from June 30 of the year in which levied. Also, a lien shall not be effective or applicable against the rights of purchasers or mortgagees who acquired an interest in or lien against real estate owned by a resident against whom such tax is assessed before the date that the treasurer files notice of such a lien. Personal property taxes, together with any interest, penalty, or costs shall be a lien in favor of the county upon all the taxable personal property and right to property belonging to the taxpayer. Such a lien relates back to and exists from January 1 of the year in which such personal property is assessed. (Sec. 445.28, .29)

Taxes on stocks of personal property such as fixtures and furniture in a motel, hotel, boarding house, billiards hall, moving picture show or theater are a lien on these items and continue as a lien when such goods are sold in bulk until paid by the owner or purchaser who is personally liable for payment of such taxes. Taxes on a building erected by any person other than the owner of the land shall be and remain a lien on the building from the date of levy until paid. If the property taxes on such a building becomes delinquent for a tax year the treasurer shall offer the building at public sale. (Sec. 445.31, .32)

Tax Sale on Real Estate

Annual Tax Sale

The tax list certified to the treasurer by the auditor is the authority upon which taxes are collected. In addition to current taxes the treasurer is authorized to collect remaining unpaid from previous years and still on the tax books and records approved by the state auditor. In order to collect these taxes the Code requires that prior to May 1 the treasurer mail a statement of taxes due to each taxpayer whose taxes for current and/or past year remain unpaid. (Sec. 445.1)

Each year on the third Monday in June all lands on which taxes are delinquent, current and past, are offered at a public sale for the amount of taxes, interest, and costs. Lands on which taxes have previously been suspended are subject to tax sale when suspension is ended. Taxes suspended by the Department of Social Services have interest and penalty attached when suspension is lifted, which is the date of death. Those taxes suspended by the board of supervisors are charged interest of six percent from date of suspension. Property on which a tax sale certificate is held by the county is not offered for sale, nor is property of a subdivision of the state. Property held for use in an Iowa homesteading project, shall not be offered or sold at a tax sale. (Sec. 427.9, .10, 446.7)[1]

In cases where taxes have been suspended one year or more upon the property of a deceased old-age assistance recipient and no estate was opened within ninety days after the death of the recipient and the surviving spouse of the recipient is not occupying the property, the county treasurer shall issue a public bidder tax sale certificate to the county auditor. In such cases the requirements of Section 446.18 to the effect that the real estate shall have been advertised and offered for sale two years or more, shall not be applicable. (Sec. 446.38)

Notice of Tax Sale

The treasurer is required to give notice of place and time of tax sales. The notice shall contain a description of each separate tract to be sold as taken from the tax list, the amount of taxes for which it is liable delinquent for each year, and the amount of penalty, interest, and the costs thereon, the name of the owner, if known, or the person, if any, to whom it is taxed. Notice must be given by publication in some county newspaper, once each week for two consecutive weeks, the last of which can not be more than two weeks before the day of the sale. Also, a copy of the notice must be posted at the door of the courthouse. If no such door exists, the notice is placed at the door of the place where the last term of district court was held. (Sec. 446.9)

Only one description of each tract to be sold is permitted. All property which has been advertised but unsold in previous years must be marked with an asterisk. (Sec. 446.9)

Letters and figures may be used to denote townships, ranges, sections, parts of sections, lots, blocks, dates, and the amount of taxes, interest, and costs. (Sec. 446.13)

The treasurer is required to obtain a copy of the notice of sale with a certificate of the publication from the printer or publisher. The certificate is filed in the office of the auditor and must appear substantially in the form dictated by Section 446.12 of the Code.

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[1]The county treasurer should not sell at tax sale, any property belonging to an old age assistance recipient, and upon which taxes have been suspended, until after the death of said old age assistance recipient, or after such recipient goes off the old age assistance rolls. (Op. Atty. Gen., 1942, p. 55)

Any irregularities in the ad do not affect the legality of the sale. As long as the property is properly described in the ad, even if the wrong owner is listed, the sale is still valid. If land is sold for erroneous taxes and interest, the error may be corrected, but as long as the land was subject to taxes for which it was sold and the taxes were unpaid prior to the sale, the sale is valid. (Sec. 446.14, .35, .61)

The cost of such a publication is originally paid by the county and then added to the taxes due as cost and returned to the treasury when collected. If a person pays his taxes before the sale but after the notice has been published or prepared by the printer, he must pay the cost of such publication. No more than seventy-five cents per legal description will be paid for each legal description published. If the cost to publish in a newspaper is too great, the notice is given by posting the typed list of owners' names, legal descriptions, and the amount due, including penalties and cost, in four prominent public areas of the county for four consecutive weeks, and filing a copy with the auditor before the sale with a statement explaining the inability to publish at the stated rate. (Sec. 446.10, .11)

If for good reason it is not possible to advertise and hold the sale on the third Monday in June, the treasurer shall make the sale on the first Monday of the next succeeding month in which it is possible to give the required notice. (Sec. 446.28)

Liability of the Treasurer

A treasurer is required to attend each tax sale or to send his deputy. If he fails to attend or send his deputy, he is liable to a penalty of $100 which is collected in action by the county; the $100 is for use by the county. A treasurer who, at a tax sale, helps to sell or sells land on which taxes are paid, or land which is not taxable, is liable to a fine of at least $1,000 and no more than $3,000, or a maximum of one year in jail. The treasurer may be fined, jailed, and be responsible on his bond to pay damages to the party injured by his sale of the property. A treasurer is liable to the same fine, jail sentence, or both should he sell property to defraud the owner or issue a deed for property he knows was sold to defraud the owner. In both cases, the sale of the property at tax sale is void. (Sec. 446.26)

If, due to a mistake or fraudulent act of the treasurer, land on which taxes have been paid is sold at tax sale, or due to an error in description on the tax receipt, the wrong land is sold, the purchaser involved may receive his money from the county. In this case, the treasurer is liable to the county on his bond, or the purchaser may recover his money directly from the treasurer. (Sec. 448.10)

A treasurer is not allowed to be directly or indirectly involved in the purchase of real estate at tax sale. Should he be so involved, he is liable on his bond for any and all damages suffered by the owner of the property concerned and the sale is void. A treasurer convicted of purchasing land sold at tax sale, in addition to paying damages suffered by the owner, is liable to a maximum fine of $1,000. (Sec. 446.27)

A county indemnification fund is maintained in the office of the treasurer of the state to be used to indemnify and pay on behalf of any elected county officer and any deputies, assistants, or employees of the county, all sums that such officers, deputies, assistants, or employees are legally obligated to pay because of their errors or omissions in the performance of their official duties, except that the first five hundred dollars of each such claim shall not be paid from this fund. (Sec. 332.36)

The Tax Sale

The tax sale begins at 10 o'clock the morning of the third Monday in June.[2] Taxes may be paid up until this time plus interest, penalty, and cost; and the land will be removed from the sale list. Before bidding takes place, the entire list of property including scavenger sale property may be read. Each tract of land is offered for sale separately for the amount of taxes, penalty, and costs due. That person who agrees to pay the amount due for the smallest portion thereof is the purchaser.[3] If the purchaser does not pay the amount due for the property at the sale, the property is offered for sale again. The treasurer may accept as payment at a tax sale any funds which he is authorized to accept in payment of ordinary taxes. (Sec. 446.15, .16, .23)

If there are bidders present, the sale continues from day to day until all taxes are paid. When all property has been offered but some is unsold due to no bidders, the treasurer adjourns to another day within two months from adjournment. The notice of the next time the sale will be held is posted by the treasurer in his office. If the need arises because of a lack of bidders, further adjournments may be made until all taxes are paid or the next annual sale is held. (Sec. 446.17, .25)

Tax Sale Records

Both the county treasurer and the auditor keep records of tax sales. The auditor is present at all real estate tax sales and records all transactions. The treasurer keeps on file copies of the certificate of purchase which includes legal description, amount of tax, penalty, interest and cost paid, and to whom it is sold. A register is kept of all property sold for taxes. The recording of purchases includes the certificate of purchase number, date sold, to whom sold, amount paid, and any other information

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[2]There is no prohibition against accepting a tax sale bid made by mail, nor the redemption of a tax certificate by mail. (Op. Atty. Gen., March 6, 1972)

[3]"The husband of a tenant in common cannot acquire a valid title to the common property by purchase of the same at tax sale." Burns vs. Byrnes, 1876, 45 Iowa 285.

on the certificate of purchase. The tax sale book and page number are indexed on any further tax receipts and tax lists. The fact that property was sold for taxes and the date of the sale are entered on the master tax list by the treasurer. The records of the treasurer and the auditor are proof that land was sold for taxes, what taxes were paid on it, and whether it was redeemed or deeded to the purchaser. (Sec. 446.24, .36)

Tax Sale Certificate of Purchase

The purchaser of property at a tax sale is entitled to a receipt for the taxes paid. The receipt is in the form of a tax sale certificate for each tract of land sold. This is prepared in duplicate and signed by the treasurer. One copy is given to the purchaser and the other is filed. This certificate indicates the legal description of the property sold, the amount of tax, penalty, interest and cost, the amount of payment made, the date sold, and to whom it was sold. (Sec. 446.29)

The treasurer receives $2 for each certificate, $1 of which is the auditor's fee. The treasurer's fee is credited to the county general fund. At the time the certificate is issued a treasurer may also present the purchaser with the original receipts of taxes due. The information on this certificate is recorded in the tax sale book. (Sec. 446.29, 333.15(3))

Should the tax sale certificate be lost or somehow destroyed, the holder may file a statement of loss with the treasurer and receive a duplicate which is just as valid as the original. Any certificate of purchaser from a tax sale may be transferred to a new owner, if the new owner pays all the tax, penalty, and costs. Such an assignment of a certificate needs to be recorded in the tax sale records of the treasurer and the auditor to be valid. (Sec. 446.30, .31)

A scavenger tax sale certificate is issued to the county auditor if the owner of land on which taxes have been suspended for one year or more dies and no estate is opened within ninety days of death and the spouse is not residing on the land. When this occurs the required publication, as required by Section 446.18, for sale is waived. "The total period before the county, the tax sale certificate holder, can obtain a tax deed is twelve months for old age assistance property where the provisions of Section 446.38 are applicable." (Sec. 446.38, Op. Atty. Gen., July 24, 1967)

Scavenger Sale[4]

On the day of the regular tax sale each year or any adjournment thereof, a scavenger sale is also held. This is a sale of any property which has been advertised and offered for sale for the past two years and remains

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[4]When the first year's tax has been paid before scavenger sale, then clearly at the time of the sale there are not then two years' delinquent taxes against the property and the property should not be sold at scavenger sale. (Op. Atty. Gen., 1940, p. 72)

unsold. Notice of the regular tax sale includes the properties eligible for scavenger sale. (Sec. 446.18)[5]

The purchaser of land sold at scavenger sale receives a certificate of purchase at scavenger tax sale. This contains the purchaser's name, years taxes are due, the legal description of the land, amount of taxes due, interest, penalty and costs, and the date sold. A copy of this certificate is filed by the treasurer, and the sale is recorded on the tax sale record. (Sec. 446.29)

Property sold at the scavenger sale is sold to the highest bidder. Should the bid be greater than the amount of taxes due, the excess is returned to the owner at the time he redeems the land. (Op. Atty. Gen., March 2, 1970) If the owner is not known, the excess is to be held in the county general fund for ten years. If land at a scavenger sale is not bid on, or all bids are less than the amount due, the county shall purchase it and be issued a certificate of purchase. The original tax receipts may be filed with the auditor. (Sec. 446.19, 556.8, .18)

The County as Purchaser

When scavenger sale property is offered at a tax sale and no bid is received, or if the bid received is less than the total amount of the delinquent general taxes, interest, penalties and costs, the county in which said real estate is located, through the board of supervisors, shall bid a sum equal to the total amount of all delinquent general taxes, interest, penalties and costs charged against said real estate. No money is paid by the county or other tax-levying and tax-certifying body for said purchase, but each of the tax-levying and tax-certifying bodies having any interest in general taxes for which real estate is sold are charged with the full amount of all the delinquent general taxes due the levying and tax-certifying bodies, as its just share of purchase price. Such a purchase is for general taxes only. (Sec. 446.18, .19)

When the county acquires a certificate of purchase through a scavenger sale and holds it for over one year, the board of supervisors may compromise and sell the certificate as long as it has the written approval of all the taxing bodies concerned with the general taxes due, or the county may take the necessary steps to obtain a tax deed. The money from the sale of a tax sale certificate is apportioned to the taxing bodies concerned in proportion to their interest in the unpaid taxes for which such were sold. (Sec. 446.31)

Unavailable Tax - Credit Given

Any taxes on real estate, in excess of the amount for which it was sold, is unavailable, and should be abated.

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[5]At a scavenger sale, the treasurer must sell the property for all taxes due and delinquent at the time of sale, including special assessment liens; however, the county should bid for the amount of general taxes, interest, penalties and costs and no more. (Op. Atty. Gen., March 2, 1970)

Any excess which belongs to the state shall be reported to the state as unavailable. The county will be given credit accordingly. (Sec. 446.22)

Resale

The person purchasing any parcel shall forthwith pay to the treasurer the amount bid. Failure to do so results in a resale of the parcel. Payments may be made in the funds receivable in payment of taxes. (Sec. 446.23)

Payment of Subsequent Taxes

The treasurer shall also prepare, sign, and deliver to the purchaser of any real estate sold for taxes duplicate receipts for taxes, interest, and costs paid after the date of purchase for any subsequent year or years. One copy is filed by the purchaser in the office of auditor and noted on the register of sales. If the duplicate is not filed before redemption, such tax shall not be a lien upon the land, and the person paying the tax shall not be entitled to recover it from the owner of the real estate. (Sec. 446.32, .33)

Redemption of Land

Real estate sold under the provisions of Chapters 446 and 447 of the Code may be redeemed at any time before the right of redemption is cut off, by the payment to the auditor, to be held by him subject to the order of the purchaser, of the amount for which the same was sold and four percent of such amount added as a penalty, with six percent interest per annum on the whole amount thus made from the day of sale and the amount of all taxes, interest, and costs paid by the purchaser or his assignee for any subsequent year or years, with a similar penalty for each subsequent year, and six percent per annum on the whole of such amount or amounts from the day or days of payment. (Sec. 447.1)[6]

The penalty for nonpayment of taxes of any subsequent year or years shall not attach, unless the same shall have remained unpaid until October 1 after they become due and have become delinquent. (Sec. 447.2)

The certificate of redemption issued by the auditor must be countersigned by the treasurer and the treasurer makes note of redemption in ink on the tax sale book, the tax certificate, the tax list, and the tax receipt. Should an error be discovered in the entry, it is not erased, but is lined out and the correction is written in and initialed by the person making the change. (Sec. 447.5, .6)

Notice of Expiration of Right to Redeem

If tax sale property is not redeemed within the specified time, the

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[6]There is no prohibition against accepting a tax sale bid made by mail nor the redemption of a tax certificate by mail. (Op. Atty. Gen., March 6, 1972)

purchaser is entitled to apply for a tax deed to the property. Two years and nine months after a regular tax sale and nine months after a scavenger sale, the purchaser notifies the owner that after ninety days the land will be deeded to him unless the owner redeems it. Most treasurers recommend that the individual applying for a tax deed employ an attorney to prepare and serve the proper notice before the deed is issued. This notice is served in the manner provided for the service of original notice. In some cases a nonresident will appoint a resident of the county as his agent and will file his name and address with the county treasurer. The notice is then given to the agent. A signed statement that such notice has been given and a copy of the notice are filed with the treasurer. The treasurer enters this fact on the tax sale record. The treasurer's record of such notice is sufficient to prove it has been given; ninety days after the completion of serving the notice the right to redeem expires. This cost is recorded by the treasurer and reported to the auditor who will collect it from the owner if he redeems the land. (Sec. 447.9- .11, .13)

Tax Deed Issued

If the land which was sold for taxes is not redeemed within ninety days after the original owner was notified of the expiration of his right to redeem, the treasurer is authorized to issue a deed for this property. This deed is given to the purchaser who then returns the certificate of purchase. A deed may be for more than one parcel of land as long as each was purchased by the same person. The treasurer is paid three dollars for each deed issued. This fee is credited to the county general fund. Tax deeds are signed by the treasurer in the presence of a person authorized to witness such, and recorded with the county recorder. (Sec. 448.1-.3) The treasurer is referred to Section 448.2 for an example of a treasurer's deed.

Recovery Limitations

No action for the recovery of real estate sold for the nonpayment of taxes shall be brought after five years from the execution and recording of the treasurer's deed, unless the owner is, at the time of the sale, a minor, mentally ill person, or convict in the penitentiary, in which case such action must be brought within five years after such disability is removed. (Sec. 448.12)

Affidavit

After two years from the issuance and recording of a tax deed or an instrument purporting to be a tax deed issued by a county treasurer of this state, the then owner or holder of such title or purported title may file with the county recorder an affidavit. An example of such an affidavit is found in Section 448.15 of the Code. (Sec. 448.15)

Failure to Obtain Deed

After five years have elapsed from the time of any tax sale, and

action has not been completed during such time which qualifies the holder of a certificate to obtain a deed, it shall be the duty of the county auditor and county treasurer to cancel such sale from their tax sale index and tax sale register. (Sec. 446.37)[7]

Sale by Mistake

A treasurer's tax deed, if properly signed and recorded, is as valid as any other deed to land and entitles the holder to all rights and duties of a property owner. (Sec. 448.3) When it is discovered that an error was made on the tax receipt or in the tax book so that land on which taxes were paid was sold at tax sale, the treasurer's tax deed is invalid. Mistakes may be corrected in the tax sale book and other records concerned, if they are discovered before the deed is issued, or if the deed is returned. The date such correction was made is indicated on the tax books. The corrected record is proof that an error did exist and the purchaser's money is refunded. (Sec. 448.8, .11)

Tax Deeds to the County

When the county buys property at a scavenger sale and it is not redeemed within the year, the county is entitled to obtain a tax deed. The county auditor receives the tax deed from the treasurer when the county has completed all actions necessary to qualify for the deed. When the county holds a deed to property, it is no longer subject to taxes and any taxes levied on it are illegal. Tax liens on such property are dropped when the county becomes the deed holder and are not renewed if the county sells the property; when the property is sold, it is again subject to taxation.[8] Once the county holds a tax deed on property the board of supervisors must sell this land at public auction in order to regain the taxes lost. Ten to fifteen days before county-owned land can be sold at public auction but not by sealed bids, notice of the auction must be given in a widely circulated county newspaper. This notice describes the land and gives the date, time, and place of the auction. (Sec. 569.8)

The money which the county receives for land it sells is used to pay the regular real estate taxes which have accumulated since the time it was sold at tax sale, and to pay the costs of maintaining the property while the county held the deed. If the board sells the land for less than the

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[7]Under Section 446.37 of the Code, a county is not required to cancel the certificate it holds. Purchase by the county at a public bidder sale is a method of collecting the tax. Such certificate may be assigned after one year. (Op. Atty. Gen., May 8, 1969)

[8]"Upon acquisition of real property by county, subsequent tax levies upon such property are illegal and are required to be cancelled, and tax liens in existence against such property at the time of acquisition by the county are merged with title in the county and are not revived by subsequent conveyance of the real property by the county." (Op. Atty. Gen., September 11, 1963)

taxes due on it, it should have the approval of those taxing bodies with a major interest in these taxes.[9] Should the property be sold for an amount greater than that needed to pay the above, the excess is apportioned to the tax-levying and certifying bodies in proportion to the interest of each in the taxes for which the land was sold.

County-owned lands may be rented or used by the county except that if the property was acquired by tax deed it must be auctioned. Some boards will hire an individual to manage county-owned property and sell it if possible. All rents collected on county-owned land are credited to a special fund for such money.[10]

Land Exempt from Taxes--Sold for Taxes

When land belonging to a state institution is sold to an individual, it becomes subject to taxation. If taxes remain unpaid on such land sold on contract only, the interest of the person owing such tax is sold at tax sale. If a lien is held by the state on such land, it remains intact. This type of sale is rare and can be very complicated; therefore, should the situation arise, it is best to consult your county attorney as to procedure. (Sec. 446.34)

Drainage Assessments and Tax Sale

Land on which drainage assessments remain unpaid is subject to sale for taxes due. It is the duty of the county treasurer to notify the district trustees if any land up for sale because of delinquent drainage taxes, is sold for less than the amount due. (Sec. 455.177)

When such land is for sale, the district trustees are authorized to bid the amount due and pay this from district funds. Any further assessments due on this land are also paid from the district fund. If and when this land is redeemed, the amount is credited to the district funds. Should there be no redemption, the tax deed is issued to the trustees and any income from leasing or selling the property is credited to the district funds. (Sec. 455.170)

If a certificate of purchase is given to an individual who has purchased the land for delinquent drainage assessments, the district

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[9]"Where sale of encumbered realty by board of supervisors is for less than total amount stated in the tax sale certificate, the sale should be approved by the tax-levying and tax-certifying bodies having majority interest in said taxes, but where a public auction sale of such property by the board has not been completed, the board may reject any bid taken and hold another sale by public auction." (Op. Atty. Gen., August 9, 1968)

[10]"Board of supervisors may, where number of properties warrant such action, delegate an agent to look after the ministerial details relating to the care and management of county property held under tax deeds. But rents from such property should be carried as a special fund in the office of the county treasurer." (Op. Atty. Gen., July 8, 1937)

may purchase this certificate for the amount the holder would be entitled to if the land were redeemed; rights of purchase of such certificate pass to the trustees. The payment for this certificate of purchase is made in the form of a warrant on the district funds. This warrant is given precedence over other warrants drawn on the same fund. If funds are lacking, they are borrowed on a warrant at six percent per year. This warrant then takes precedence over all others and is called in by the treasurer as soon as funds are available. Warrants themselves are dealt with in a later chapter. (Sec. 455.171-.173, .175)

The terms for redeeming land sold for unpaid drainage taxes are established between the original owner and the district trustees.

Delinquent Personal Property Taxes

Sale of Personal Property

The treasurer must also collect unpaid personal property taxes. If the owner fails to pay the personal property tax, the treasurer may collect the amount due by selling the personal property that is subject to taxation and listed on the tax list. (Sec. 446.3)[11]

If the treasurer has reason to believe that a person owing personal property tax is leaving the county or going to sell the property, even if the tax is not delinquent, it is declared due, a lien is filed with the recorder, and taxes are collected equal to the value of the property times the last rate levied, or undertakes to distress and sell the property for the amount due. (Sec. 445.6)

Delinquent Personal Tax List

The treasurer is required, after April 1, and before June 30 of each year, to enter onto the delinquent personal tax list all previously unlisted personal taxes of the previous year. The list shall be alphabetically arranged by names of delinquents and include amounts of tax and for what year or years, and where property was located when assessed. However, if the treasurer maintains a tax list on which all delinquent personal taxes and delinquent taxes of any preceding year are at all times recorded, no separate delinquent personal tax list need be maintained. (Sec. 445.8 (1), .9)[12]

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[11]The semi-annual tax on mobile homes is collectible by the county treasurer through issuance of distress warrant and sale of personalty pursuant to procedures set out in Chapter 445 (Op. Atty. Gen., January 23, 1973).

[12]"Where personal property taxes are delinquent, the county treasurer should enter the same on the delinquent personal tax list and file the published notice of said list with the county auditor and personal property tax liens should be indexed on the delinquent personal tax list pursuant to Section 445.9." (Op. Atty. Gen., July 31, 1967)

The treausrer must have compiled a list of all delinquent personal property taxes for the current assessment year, as shown by the delinquent personal property tax list. The list shall show the amount of taxes delinquent when the amount of tax is more than five dollars and the amount of penalty interest and costs, the name of the owner, if known, or the person, if any, to whom it is taxed. The list must also include a notice that states that unless the delinquent personal property taxes are paid within ten days of the date of final publication of notice, a distress warrant will be issued for purposes of collection. The list must be published in some newspaper in the county once each week for two consecutive weeks, the list not being more than two weeks before the first Monday in June. A copy of the first publication must be posted upon the door of the courthouse. If there is no such door, it must be posted upon the door where district court was last held. The notice must include a notice to taxpayers to the effect that, unless delinquent personal property taxes are paid within ten days of final publication, a distress warrant will be issued for collection. The treasurer must also obtain a copy of the notice and a certificate of publication from the printer or publisher to be filed in the office of the auditor. (Sec. 445.8(2, 3)) Please see Section 446.12 of the Code for an example of such a certificate of publication.

Distress Warrant

Within ten days following the final publication of the above notice, treasurer shall issue a distress warrant. The form of the distress warrant is found in Section 445.7 of the Code. (Sec. 445.7, .8)

The distress warrant is collectible by any sheriff or constable or tax collector in the same manner as any other warrant for the distraint and sale of personal property. The amount to be collected shall include cost of publication of the notice, all interest and penalties upon the tax and the fees of the collecting officer. (Sec. 445.7, .8)

The taxpayer may at any time pay to the treasurer the amount of delinquent taxes and penalty, plus other costs, including publication of notice. (Sec. 445.8)

Distress Sale

Within five days after the distress warrant is served, the notice and place of the sale must be given. This notice is posted for two weeks in three public places, one being the place where the last district court was held. In the case where personal property is in the amount of two hundred dollars or more, two weekly publications of notice in some newspaper in the county must be printed. The public auction is held no later than twenty days after the property is taken. The sale may be adjourned for no more than five days if there are no bidders. When adjourned, notice of the next time and place of sale is posted. When the property is sold, the owner receives any money left after taxes, interest, costs of distress warrant, and costs of holding the property are paid. (Sec. 445.5-.7, 626.75)

Tax Collectors

The county treasurer may appoint one or more collectors to assist in the collection of delinquent taxes by distress and sale of personal property of delinquent taxpayers. The collector shall collect the whole amount of delinquent taxes and interest along with a five percent charge on all delinquent taxes and pay the amount to the treasurer each month. In exchange for services and expenses, the collector receives five percent of the amount of delinquent taxes collected. The board of supervisors may authorize the appointment by the treasurer of one or more collectors to assist in the collection of delinquent personal taxes that the board of supervisors may designate. Compensation for expenses and services may not exceed ten percent of the amount collected. No payment shall be made until the treasurer has received all taxes collected from the collector. (Sec. 445.47, .48, .50)

If collectors are unsuccessful or none are appointed, the treasurer shall appoint the sheriff to perform the duties of tax collector. (Sec. 445.49)

In no case shall delinquent taxes of the current fiscal year be turned over for collection, whether designated by the board of supervisors or otherwise, before May 1. However, this provision does not apply to counties having a population of eighty thousand or more. (Sec. 445.51)

Delinquent Taxes Certified to Another County

It is possible that personal property on which there are unpaid taxes may have been taken from the county and the owner may not have any other property within the county from which the treasurer can collect the taxes. In such a case, if the treasurer thinks he will be able to collect the taxes due from another county where the person lives or owns property, he may mail to the treasurer of that county a certified abstract of taxes and all costs due. Both the treasurer sending the abstract and the one receiving it keep a record of the transaction. This abstract serves as the authority for the receiving treasurer to collect the tax due. The treasurer who collects this tax and penalties is entitled to charge the taxpayer an amount equal to 20 percent of the total amount due. The money collected minus the 20 percent charge are sent to the treasurer who requested the collection. (Sec. 445.53-.56)

Should the treasurer receiving the abstract find that he cannot collect the taxes, he signs the abstract, marks it "uncollectible," and sends it back to the original treasurer. (Sec. 445.56)

Suit for Personal Taxes

Treasurers have the authority to bring suit against a person, firm, or corporation in order to collect unpaid taxes on personal property. This is a time when the county treasurer would rely to a great extent on the knowledge and services of the county attorney and should consult with him as to the details of such a suit. (Sec. 445.3)

Delinquent Taxes May Be Compromised

When property has been offered for sale for two years for unpaid taxes and remains unsold or is sold for less than the amount due, the board of supervisors may see fit to compromise the taxes due or make an agreement with the purchaser on an additional amount which would in effect remove the taxes due. A copy of such an agreement by the board is filed with the treasurer and auditor. The amount compromised shall be credited to the treasurer by the auditor as unavailable and the treasurer shall apportion such tax among the funds to which it belongs. When agreement of payment is made, all taxes included in such an agreement shall be thereby fully satisfied and cancelled and the county auditor and treasurer shall cause their books to show such satisfaction. Personal property taxes which are not a lien, but have been delinquent a year or over and cannot be collected by distress and sale, may also be compromised. (Sec. 445.16-.20)

If the case should arise that any tax belongs to the state, it shall be reported by the county treasurer in the semi-annual settlement sheets to the state comptroller as unavailable. The comptroller shall credit the county with the amount reported. (Sec. 445.21)

Subsequent Collection

Should any of the compromised tax be subsequently collected, the county treasurer shall distribute the net amount collected among the several funds the same as though it had never been declared unavailable. Any portion belonging to the state shall be credited back to the state and included in the county treasurer's remittance of other state taxes to the treasurer of the state. (Sec. 445.22)

Treasurer--Collector for State

A county treasurer may be called upon by the state director of revenue to collect the amount of a delinquent chain store tax plus interest from the person owing the tax and owning land or personal property in the county. The amount to be collected is recorded as a delinquent tax and becomes a lien on the property of the person who owes it until paid in full. This tax, once recorded, is collected as any other delinquent land or personal tax except that the amount collected is paid to the State Department of Revenue by the treasurer who collects it. (Sec. 424.7)

CHAPTER 9

THE SALE OF BONDS

Public and County Bonds

The sale of bonds may be authorized by one of two methods. If it is necessary to issue bonds in order to cover outstanding indebtedness, the sale of county bonds may be authorized by a two-thirds vote of the board of supervisors. Alternatively, public bonds may be issued upon approval of 60 percent of the total votes cast for and against a proposal to issue such bonds. In either case the sale of bonds is governed by the provisions set down for public bonds in Chapter 75 of the Code. (Sec. 75.1, 346.1, .2, 346.4)

The Sale of Public Bonds

The county treasurer must publish an advertisement offering public bonds for sale for two or more successive weeks in at least one newspaper located in the county. Included must be notice of time and place of sale, the amount to be offered for sale and any other pertinent information. (Sec. 75.2)

Sealed bids may be received at any time prior to the calling for open bids. After the filing of all sealed bids, the treasurer shall call for open bids. The substance of the best open bid is noted in the minutes. Closed bids are then opened and the best noted in the minutes. (Sec. 75.3)

All bids may be turned down and another sale advertised, or the bonds may be sold privately for an amount equal to or greater than the highest bid at the last advertised sale. The price of any bond must be at least face value, plus accrued interest. No commission is paid, nor is the treasurer paid for expenses contracted when selling bonds except for the costs of advertising. Also bonds may be exchanged for legal indebtedness evidenced by bonds, warrants or judgments. (Sec. 75.4-.6, .9)

Bonds may not be exchanged for any indebtedness of the county except by the approval of the board of supervisors. (Sec. 346.8)

Sale of County Bonds

Bonds issued by the board of supervisors shall bear an interest not to exceed seven percent per annum, payable semi-annually. After the bonds are executed, numbered consecutively, and sealed they are delivered to the county treasurer, who shall issue a receipt. The treasurer's official bond shall be charged with all bonds delivered and proceeds derived. The treasurer shall sell or exchange the bonds, on the best available terms, for any legal indebtedness of the county as of the first day of January, April, June, or September next preceding the resolution of the board

authorizing their issue. In no case may the bonds be sold or exchanged for a sum less than the face value plus all interest accrued at the date of sale or exchange. (Sec. 346.3, .5, 346.8)

The proceeds from bonds sold for money shall be applied exclusively for the payment of liabilities existing against the county at or before the date provided for in Section 346.5 of the Code. In the case of exchange for warrants and other legal evidences of county indebtedness, the treasurer shall cancel such evidences by endorsing on the face thereof the amount for which they were received, the word "cancelled" and the date of cancellation. (Sec. 346.6)

Recording and Reporting of Bond Sales and Transfers

The treasurer is required to keep a record of bonds sold or exchanged by number, date of sale, amount, date of maturity, and the name and post office address of purchases. In the case of exchanges, the evidences of indebtedness received and cancelled shall be noted. Should the holder of any bond sell or transfer such bond, the purchaser is required to notify the treasurer of the purchase and provide the number of the bond transferred and his post office address. Every such transfer is to be noted on the records.

The treasurer is required to make a report under oath to the board of supervisors at each regular session of the board. The report shall consist of a statement of all bonds sold or exchanged by the treasurer since the last preceding report and the date of sale or exchange. The amount of accrued interest received by the treasurer on the sale or exchange of bonds is charged to the treasurer as money received on the bond fund and is entered on the books as such. The amount of interest must also be reported to the board of supervisors. In the case of exchange a list or description of the county indebtedness exchanged must also be provided the board of supervisors. (Sec. 346.8)

The Bond Fund

The board of supervisors assesses and levies a tax each year upon taxable property in the county in order to pay the interest and principle on bonds issued. The money resulting from such levies is known as the bond fund and is used for the payment of bonds and interest coupons. The fund may be used by no other purpose. The treasurer is required to maintain in his books a separate bond fund account which shall at all times show the exact condition of the fund. (Sec. 346.11, .12) A separate fund is kept for each purpose that the bonds were issued.

When sufficient funds have been collected belonging to the bond fund to pay the required interest maturing before the next levy and to pay the principle on one or more bonds which are subject to redemption, the treasurer shall notify the owners of such bonds that he is prepared to pay the bonds with all accrued interest. Bonds are to be redeemed in the order of their numbers. If the holder of a bond fails to appear for redemption within thirty days after the date of notice, the interest on the bond or bonds shall cease. However the amount due the holder is to be set aside for payment when he appears for redemption. (Sec. 346.13)

The treasurer pays bond coupons from the bond fund only when the holder presents his coupon for payments; the treasurer does not call coupons in to be paid.

County Hospital Bonds

County hospital bonds are sold as other county bonds except that the board may direct the treasurer to invest the money from the sale of hospital bonds in United States government bonds. The money from these government bonds is then used for the same purpose that the hospital bonds were issued. The money from the sale of hospital bonds may remain in government bonds until the board of supervisors, or hospital trustees, in the case of building an addition, feel it is time to begin construction. Money from the hospital bonds is paid out by the treasurer only on warrants to the secretary of the board of trustees, countersigned by the chairman. It should also be noted that before the third Monday of each month in each year, the county treasurer shall give notice to the chairman of the board of hospital trustees of the amount of revenue collected for each fund of the hospital to the first day of each month. (Sec. 347.8, .12)

Secondary Road Certificates

The board of supervisors, by resolution, may choose to issue anticipatory certificates on the secondary road fund in anticipation of funds to be paid in during a stated period of one to two years. The series of certificates issues in anticipation of funds are to be numbered consecutively and paid in the order of numbering. The certificates are signed by the chairman of the board of supervisors and the county auditor. The certificates are then delivered and charged to the county treasurer who is then responsible for the certificates on his bond. (Sec. 309.46-.50)

The treasurer shall then sell the certificates in accordance with the provisions of Chapter 75 of the Code and credit the amount received to the secondary road fund. If the treasurer is unable to sell the certificates for par plus accrued interest, the treasurer may apply the certificates in payment of any warrants duly authorized and issued for secondary road work. (Sec. 309.52)

The county treasurer shall keep a record of the name and post office address of all persons to whom certificates are issued, with a particular designation of the certificates delivered to each person. In the case of transfers the new holder may present the certificates to the treasurer in order to have his name and address entered in place of the former holder. (Sec. 309.53, .54)

When the treasurer has accrued sufficient funds, for a year covered by anticipatory certificates, to pay the first referrable certificate or certificates, he immediately notifies the holder of such certificates by mail of such fact. Interest on certificates shall cease thirty days from the mailing of notice. (Sec. 309.55)

Certificates may also be issued for estimated costs of special assessments in secondary road assessment districts. These, too, are delivered to the treasurer to be sold at par plus interest or applied as payment of warrants issued for surfacing the road within the given district. When sold, the money is credited to the secondary road fund. These certificates are paid off according to the numbers given when issued.

Certificates for secondary road assessment districts are recorded in the same manner as secondary road certificates. And, likewise, the holder is notified by mail when funds exist for retiring the certificate. The difference between secondary road certificates and secondary road special assessment district certificates is that ten days after the notice is given the interest ceases on the latter certificates, whether they have been presented for payment or not; while the former certificates gain interest for thirty days after the notice of sufficient funds for payment is mailed. (Sec. 311.29, .30)

CHAPTER 10

COUNTY WARRANTS

Payment of Warrants

It is the responsibility of the county treasurer, in addition to collecting taxes and other moneys for the county, to disburse county funds. The treasurer is authorized to disburse funds on warrants issued and signed by the auditor and bearing the county seal. Whenever a county treasurer receives a warrant, scrip, or other evidence of county indebtedness, the treasurer shall endorse it with the date of receipt, from whom received, and the amount paid out. (Sec. 334.1, .3)[1]

Warrant Book

The treasurer keeps a record of all warrants paid, listing each warrant by the number which the auditor has given it. The warrant book is ruled such that it also contains the date, the amount, the name of the person to whom it is paid, the fund it was drawn from, and any interest paid. (Sec. 334.6) Warrants returned by the treasurer are to be compared with the warrant book and the word "cancelled" is to be written over the minute of the proper numbers in the warrant book. The treasurer shall also make a monthly return to the auditor of the number, date, drawee's name, when paid, original amount, and interest. The original warrant shall be preserved for at least two years. (Sec. 334.7)

Warrants Partially Paid

Any individual may present to the treasurer a warrant which he holds as payment of money owed by him to the county. If this warrant is for more than the amount owed, the treasurer marks the debt paid in full and presents the individual a certificate stating the amount due him as change. When this certificate is presented to the auditor, a warrant for that amount is issued. It may happen that a person presents a warrant from the county for payment for an amount greater than what the fund on which it is drawn contains. If this is the only warrant drawn upon the fund, the treasurer pays what he can to the holder of the warrant along with a certificate for the remaining amount. When this certificate is presented to the auditor, a warrant for that amount is issued. (Sec. 334.5)

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[1]Some warrants are marked not to be paid until the person holding the warrant pays all back taxes. When such a warrant is presented to the treasurer for payment, the amount of back taxes owed may be deducted from the amount of the warrant. (Op. Atty. Gen., May 15, 1937)

Warrants Are Assignable

Warrants may be sold or exchanged by the holder; the new owner must notify the treasurer of the change in ownership. Upon receiving notification, the treasurer should correct the record accordingly. (Sec. 74.4)

Unpaid Warrants

Each warrant issued is numbered by the auditor; should funds be lacking, unpaid warrants are listed by this number. As the funds accumulate, the warrants are paid in the order they are listed.

When warrants presented to the treasurer are not paid due to lack of funds, or only partially paid, the treasurer notes this on the warrant, signs it, and marks the date presented. This warrant will then draw interest at five percent per year until funds exist to pay it. It is important that the treasurer record the fact that interest is due on a given warrant in order for the holder to collect this interest. (Sec. 4.2, 452.2)

The treasurer may arrange to sell an unpaid warrant at face value but for interest less than five percent. This allows the county to pay the holder the amount due him and reduce the interest costs to the county. Warrants drawn on levee and drainage district funds and unpaid for lack of funds are subject to the same procedures as other unpaid warrants except that drainage warrants draw interest at the rate not to exceed seven percent per year. (Sec. 334.3, .5, 455.198)

Record of Unpaid Warrants

The treasurer keeps a record of unpaid warrants which lists the number of the warrant, the amount due, the date the warrant was presented for payment, and the holder's name and mailing address. These warrants may be transferred or sold, and it is the duty of the new holder to notify the county treasurer in writing of the transfer and the new address. When this information is received by a treasurer, he changes his records accordingly. (Sec. 74.3, .4)

Paying Unpaid Warrants

Warrants are called in for payment as funds become available. A notice of the warrants on which funds are available is posted in the treasurer's office and in a place to which the public has access; this notice lists the numbers of the warrants which can be paid. The warrants listed may be paid in the order presented to the treasurer; and a notice is also mailed to the holder of each warrant that may be paid. The date this notice is mailed is noted in the unpaid warrant record, and interest on the unpaid warrant stops thirty days after this date, even if the warrant has not been presented for payment. The date of payment, the amount, and the interest paid are noted on each unpaid warrant which is presented for payment. (Sec. 74.5-.7)

Anticipatory Warrants

In some instances the auditor will issue what is termed an anticipatory warrant. These are warrants issued on a fund in anticipation of money to come in. For example, such warrants may be issued to finance county limestone quarries. Anticipatory warrants are numbered and registered with the county treasurer. They are called in numerical order whenever funds are paid in from the sale of limestone in the case of a quarry, or from special assessments levied in connection with the fund involved. Anticipatory warrants collect interest the same as ordinary warrants. (Sec. 202.8) (Please see chapter 9 for a discussion of Secondary Road Certificates.)

Discounting Warrants

If the county treasurer, the treasurer or through another, discounts an auditor's warrant, either directly or indirectly, the treasurer shall upon conviction be fined in any sum not exceeding one thousand dollars. (Sec. 452.3)

Breach of Duty

Any county treasurer, or any deputy or employee of such office, who fails to endorse a warrant as provided in Section 334.3 shall be guilty of a misdemeanor, and fined not less than one hundred dollars nor more than five hundred dollars for each offense. (Sec. 334.4)

CHAPTER 11

INVESTMENT OF PUBLIC FUNDS

Custody of Public Funds

The county treasurer is required at all times to keep all funds coming into possession as public money, in a vault or safe, or in a bank legally designated by the board of supervisors as a depository for such funds. (Sec. 452.10)

Investment

Investment of Public Funds

The treasurer shall invest, unless otherwise provided, any of the public funds not currently needed for operating expenses. The treasurer shall make time deposits and receive time certificates of deposit or maintain savings accounts in legally designated banks. If after the treasurer has made a written bona fide offer to all qualified banks to deposit funds in a savings account or time certificate of deposit and such offers are rejected, then and only then may the treasurer invest such funds in notes, certificates, bonds, or other evidences of indebtedness which are obligations or guaranteed by the United States of America or any of its agencies.[1] A county treasurer is not liable for the loss of funds deposited or invested according to law when such a loss is due to the unsolvency of the bank. (Sec. 452.10, 453.1, .5, .8)

Investment of Sinking Funds

The board of supervisors is authorized to direct the county treasurer to invest any fund that is not an active fund needed for current use and which is being accumulated as a sinking fund for a definite purpose. There are several ways in which these funds may be invested: in time certificates of deposit, in bonds or other evidences of indebtedness issued, assumed, or guaranteed by the United States of America, or by any agency or instrumentality thereof, or in local certificates or warrants issued by any municipality or school district within the county, or in municipal or school district bonds which constitute a general liability. The interest earned must be returned to the fund from which the money was invested. (Sec. 453.9)

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[1]Where statutes now permit investment of public funds in notes, certificates, bonds, or other evidences of indebtedness guaranteed by the United States of America or any agency or instrumentality thereof, this includes savings and loan associations which are insured by the Federal Savings and Loan Insurance Corporation. (Op. Atty. Gen., February 23, 1972)

Investment of Drainage Fund

The board of supervisors may direct the county treasurer to invest drainage funds not immediately needed for current operating expenses in time certificates of deposit, savings accounts. United States government bonds. in the interest bearing obligations of the drainage and level districts of the county, or as provided by Chapter 453 of the Code. Interest collected is deposited in the county drainage fund and on or before July 1, of each year apportioned to each district by the county auditor. (Sec. 455.61)

Investment of Funds Created by Election

The board of supervisors is authorized to invest any portion of a fund created by direct vote of the people not currently needed, time certificates of deposti, savings accounts, or in bonds or other evidences of indebtedness issued, assumed, or guaranteed by the United States of America or by an agency of instrumentality thereof. Interest or earning on such funds shall be credited to the fund to retire any indebtedness after which the fund itself shall be credited, except interest earned from investing the proceeds from the sale of county hospital bonds shall be used for the purposes for which said hospital bonds were authorized. (Secs. 453.7-.10, 347.8)

Location of Depositories

Deposits made by the county treasurer shall be in banks located in the county or in an adjoining county within this state. The approval of a bank as a depository shall be by written resolution by the board of supervisors and entered as a matter of record in the minutes. The board shall specify distinctly by name each bank approved and the amount of deposit allowed to be kept in each bank. The maximum amount permitted to be deposited in a named bank shall not be increased except with the approval of the treasurer of the state. (Sec. 453.2-.4)

Should none of the duly approved banks choose not to accept deposits under the conditions prescribed and authorized, funds may be deposited in any approved bank or banks conveniently located within the state. Time certificate deposits or savings accounts rejected by all qualified and approved depositories or funds which cannot be deposited for periods of at least ninety days may be invested in bonds or other evidences of indebtedness issued, assumed, or guaranteed by the United States of America or by any agency or instrumentality thereof. (Sec. 453.5)

Interest

Public funds invested by the county treasurer in time deposits shall draw interest at a rate determined by the treasurer and the bank. However, the rate shall not be greater than the rate set for state funds nor less than one percent of interest below that rate. (Sec. 453.6)

Interest or earnings on investments and time deposits shall be credited to the general fund of the county, with the exception of specific funds for which investments are otherwise provided by law, constitutional funds, or when legally directed to the state sinking fund for public deposit. (Sec. 453.7)

Investment Report

The county treasurer is required to submit an investment report to the auditor of the state within 30 days of the close of the fiscal year. The report shall include the following all relating to the previous fiscal year: total demand deposits placed in depositories; total funds invested; description and disposition of investments; dates of investment; rates of interest earned or return on the investments; and any other information the auditor may deem pertinent to public funds. (Sec. 453.13)

Service Charge

A bank may make reasonable service charges with respect to the handling of any public funds, but such service charges shall not be greater than the bank customarily charges other patrons for similar services. (Sec. 453.12)

State Sinking Fund

A state sinking fund which provides insurance for the public funds, including those of the state, counties, townships, municipalities, and schools, in banks within the state has been established in the office of the state treasurer. This assures government units that any deposits made according to law will be paid to them, or any claims that such deposits were not paid will be paid from this fund. (Sec. 454.1-.2)

The money in the sinking fund is accumulated from assessments paid by the various banks designated as approved depositories by the state. The rate of assessment is fixed by the state treasurer and given to the county treasurer. The treasurers of any governmental units that have public funds in a bank, file with the county treasurer a list of those banks in which they have funds. The county treasurer keeps on file a list of the banks which have state sinking fund assessments due because they are public depositories. (Sec. 454.6, .9)

Before the tenth day of each month, the treasurer receives the amount of the assessment due for the past month from each of the depositories. The treasurer in turn forwards this amount to the state treasurer for the sinking fund before the twentieth of the month. Any depository that neglects to pay its assessment before the tenth is liable to a penalty of ten percent. (Sec. 454.10, .12)

Revenue Sharing Funds

Federal funds made available through revenue sharing are forwarded by the federal government to the county auditor four times yearly. The auditor turns the funds over to the county treasurer for deposit in the Federal Revenue Sharing Trust Fund of the county. All interest earned on investments of such funds is to be deposited back into the Federal Revenue Sharing Trust Fund. (Sec. 51.100, Subpart F of the Interim Regulations Governing Entitlements under Title I of the State and Local Fiscal Assistance Act of 1972 as amended by the State and Local Fiscal Assistance Amendments of 1976.)

CHAPTER 12

PAYMENTS AND TRANSFERS

Support of Institutions

The county treasurer is responsible for payments from and transfers among certain funds.

Alcoholism Treatment

Each county is responsible for paying 25 percent of the cost of care maintenance and treatment of alcoholic and intoxicated residents of that county from the county mental health and institutions fund. A facility, approved under Section 125.13 of the Code, may, upon approval of the board of supervisors, submit to a county a billing for the aggregate amount of all care, maintenance, and treatment of alcoholics who are residents of that county each month. After receiving the proper certification the county auditor issues a warrant enabling payment of the certified amount. (Sec. 125.1, .28, .32)

State Hospital Schools

Each county is responsible for paying costs and expenses incurred at state hospital schools by mentally retarded persons who have legal settlement in that county. Upon receipt of proper certification, from the school superintendent, the county auditor issues a warrant enabling the transfer of the certified amount from the county mental health and institutions fund to the general state revenue. (Sec. 222.60, .74)

Please note that at present no state taxes exist for remittance. Therefore it is assumed the auditor completes the remittance as specified in Section 230.21 of the Code.

Should any county fail to pay the bills within sixty days from the date of certificate from the superintendent, the state comptroller may charge the delinquent county a penalty of not greater than one percent per month on and after sixty days from date of certificate until paid. (Sec. 222.75)

State Hospitals

Each county is responsible for costs incurred by mentally ill persons, of legal settlement in that county, admitted or committed to a state hospital. Upon receipt of the proper statement the county auditor issues a warrant enabling the transfer of the amount billed to the county by the statement, from the county mental health and institutions fund to the state general revenue. The auditor shall promptly remit the amount so transferred to the treasurer of state, designating the fund to which it belongs. (Sec. 230.1, .20, .21)

Should the county fail to pay the amount billed for the support and care of mentally ill persons in state hospitals within 60 days from the date the statement is certified by the hospital superintendent, the state comptroller shall charge the county a penalty of one percent per month from date of certification until paid. In the event the county notifies the comptroller of error or questionable items in the billing, the comptroller may suspend the penalty during the period of negotiation. (Sec. 230.22)

Clothing and Transportation

In the case where pupils of the Iowa Braille and Sight Saving School and the School for the Deaf are not supplied with clothing or transportation it is supplied by the schools.

The auditor issues a warrant enabling the transfer of funds from the county mental health and institutions fund to the general state revenue.

Should the county fail to pay the bill for support of county pupils in the School for the Deaf or the Iowa Braille and Sight-Saving Schools within 60 days of certification by the school superintendent, the state comptroller shall charge the county a penalty of three-fourths of one percent per month from the date of certification until paid. Such penalties shall be credited to the general fund of the state. (Sec. 269.2, 270.4-.8)

Community Health Centers

At intervals specified by the county board of supervisors, not less often than once each ninety days, the county treasurer of each county served by the center shall notify the chairman of the center's board of trustees of all amounts due the center from the county which have not previously been paid over to the treasurer of the center. The county treasurer pays out such funds on warrants drawn and signed by the county auditor. (Sec. 230A.9, 334.1)

University Hospitals

The expenses for medical care of indigent persons from the county in the University Hospitals are charged to the county. The auditor is notified of the amount due, and in turn issues a warrant. This warrant enables the treasurer to transfer the amount due from the poor fund or the county fund to general state revenue. The same penalty of one percent per month that is charged other expenses not paid by the county applies to these medical expenses for indigent persons. (Sec. 255.26)

Support of the Poor

The county is also charged with support of the poor. Any bills for the care and support of the poor and approved by the board of supervisors as reasonable and proper are paid out of the county treasury. Should a poor tax be levied by the board, the treasurer collects it the same as other regular taxes. (Sec. 252.35, .43)

Review Board

When the costs of an appeal from a review board to a district court are taxed against the review board, these costs are paid by the county involved. The clerk of the district court certifies the amount due from that county to the county treasurer. The treasurer then divides the amount due among those taxing bodies which would benefit from the taxes involved in the appeal. The portion which each taxing district is to pay is deducted from the general taxes normally apportioned to each district. The treasurer notifies each taxing district of the amount deducted from the general taxes for the court costs. The treasurer then pays the clerk of the district court the costs due the court from the review board. (Sec. 441.40)

Loss in One County

The loss of funds for which the county treasurer is responsible because of an error or mismanagement is replaced by all of the counties. This does not include a loss equal to or less than the treasurer's bond, or loss of funds deposited in an authorized depository.[1] The state auditor investigates the accounts involved to determine the actual amount lost. The results of the investigation are submitted in writing to the state comptroller. The amount for which each county will be responsible is apportioned by the state comptroller based on the taxable property of the county in relation to all the taxable property of the state. The amount due from each county is certified to the county treasurer by the state comptroller.

Once the amount due is certified to the county, the treasurer charges this amount to the county general fund and forwards it to the comptroller. This amount must be forwarded within thirty days after the treasurer was notified, or it draws a monthly interest of one percent. A county not paying its share of the loss in another county is reported by the comptroller to the state director of revenue. The director levies a tax which will provide the amount originally due plus interest and a 25 percent penalty on the taxable property in the county. This tax is entered on the next tax list by the auditor and is collected as other taxes except that it is forwarded directly to the comptroller by the treasurer. (Sec. 334.13-.19)

Transfer of School Funds

The county treasurer is involved in the transfer of funds among school corporations when directed to do so by the county auditor.

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[1]"Legislature intended that loss occasioned by acts of county treasurer up to sum of $25,000 the amount on county treasurer's bond, is a loss to be borne by county, and that any loss in excess of that sum is a sum which should be borne by all 99 counties of the state prorated pursuant to terms of the statute, and intention was that maximum county liability would be only $25,000 even if there be default on the bond." (Op. Atty. Gen., September 14, 1950) Please note that the original opinion quotes a limit of $10,000. That limit now stands at $25,000 due to changes in the law.

Payment of Tuition

The school corporation in which a student resides is responsible for paying the tuition to the school corporation in which the student is permitted to enroll. If proper payment is not made, a certified claim is filed with the auditor of the county of the pupil's residence. The auditor then orders the county treasurer to transfer the amount due from the funds of the debtor corporation to the creditor corporation. (Sec. 282.20, .21)

Expenses in Reorganization

If a school district is established or changes in its boundaries are made it shall pay all expenses incurred. If the adjustment involves more than one area education agency the expenses are apportioned and certified by the joint agency board. Should a school district fail to pay expenses, as certified, the expenses are certified to the county auditor, who in turn directs the county treasurer to transfer funds from the debtor district to the agency board for payment of expenses. (Sec. 275.26)

Transportation Costs

When a local school board fails to pay transportation costs due to another school, a certified claim is made to the county auditor. The auditor then orders the county treasurer to transfer the amount of the claim from the funds of the debtor corporation to the creditor corporation. (Sec. 285.1(13))

CHAPTER 13

FEES, MONEYS, AND REPORTS RECEIVED

Fees and Other Moneys Collected

All permit fees collected by the county are paid to the county treausrer. These fees and any fees collected by county officials for their services are credited to the county general fund unless designated otherwise. (Sec. 98.35, 342.1)

Fee Book

The county treasurer is required, as are other county officers, to maintain a "fee book" and it shall be kept as part of the permanent county records. The book shall be ruled in appropriate columns for the date, kind of service, for whom rendered, and the amount of fee collected. All items are entered upon the record at the time the service is rendered. (Sec. 342.2)

Fee Reports

Quarterly the treasurer is required to make itemized and verified reports to the board of supervisors showing in detail the fees collected during the preceding quarter. Also, quarterly the treasurer must pay into the county treasury all fees collected during the preceding quarter. A duplicate receipt for the fees must be filed in the office of the auditor. The date and the amount of each payment into the county treasury shall be entered into the fee book. (Sec. 342.3)

Two required fees are those to obtain a license to sell beer and a license to sell cigarettes in the county. Cigarette permit fees collected in the county shall be paid to the county treasurer and credited to the general fund. (Sec. 98.35) All retail beer permits fees collected in the county are to be deposited in the county general fund. However, Sunday retail beer permit fees collected in the county are be deposited in the county mental health and institutions fund. (Sec. 125.28, .32)

At the time of filing an application to hold public auctions outside the limits of any city or within any city that has not by ordinance provided for the licensing of sales by auction, the applicant shall pay to the county treasurer a license fee in the sum of twenty five dollars, for each day it is proposed to hold such auction sale as shown by the application for such license.[1] (Sec. 546A.1, .4)

The treasurer annually collects the license fee for peddlers who operate outside city limits. The treasurer issues duplicate receipts for payment. The peddler is issued a license by the auditor upon presentation of a receipt. The license, which costs $25 for a peddler on foot, $50 for a peddler with a two-wheeled vehicle, and $75 for a peddler with a motor vehicle with an attached vehicle for samples, is good for only one year and only in the county in which it was purchased. (Sec. 332.45-.49)

[1] This requirement pertains only to new merchandise.

Traveling shows, circuses, rodeos, or any other public shows which charge an admission fee are required to purchase a license. The fee, which is determined by the board of supervisors, is paid to the treasurer. The license is then issued by the auditor. If such a show is found to have been operating without a license, the fee is doubled. This money is credited to the school fund. (Sec. 332.50, .51)

For every action tried by a jury, the county treasurer is paid a $10 jury fee by the clerk of the court. Upon payment of this fee, the treasurer must issue a receipt. (Sec. 625.8) These fees are forwarded to the treasurer as part of the clerk's quarterly report.

Money collected in connection with the enforcement of Chapter 99 of the Code, concerned with gambling and other nuisances, is paid to the county treasurer. (Sec. 99.25)

Money from County Officers and Other Counties

Those fees which are collected by county officials are turned over to the treasurer each quarter for deposit into the proper fund. Before the tenth of the month following each quarter any county official who has collected fees makes a duplicate report of these fees. A miscellaneous receipt is issued to the official paying the fees. Most fees collected by county officials are credited to the county general fund; however, the dog license fee collected by the auditor is credited to the domestic animal fund. (Sec. 342.3, 351.6)

Unclaimed Fees

In some cases money which the county treasurer receives is held subject to claim by the owner. This money is considered revenue and must be recorded on a miscellaneous receipt. The first Monday of January and July the clerk of the district court pays to the county treasurer those unclaimed fees that do not belong to his office. This money may also be used by the county, subject to claim. The auditor may issue warrants for the amount due the owners of such moneys if they demand it within five years of the time such money was paid to the county. The receipts for such moneys contain the type of court, the cause, the names of the witnesses, jurors, and officers, with the amounts due each. This receipt is made out in duplicate; one copy is filed with the county auditor. (Sec. 606.16-.18)

Condemnation funds held by a county sheriff are reported and paid to the county treasurer before July 1 each year. The report includes the name of the owner, description of condemned property, and amount due. This money is recorded on a receipt by the treasurer and the name, description of property, and amount due are recorded in a book of condemnation funds. These moneys are paid to the owners on warrants issued by the board of supervisors on the fund. (Sec. 337.15, .17)

Should a hotel keeper sell baggage or other property of a guest who owes him money for more than the amount needed to satisfy his claim, he returns the excess to the owner. If after six months the owner has not demanded this money, the innkeeper deposits it with the county treasurer.

This money is accompanied by a statement of the hotel keeper's claim and costs of enforcing same, a copy of the published notice of sale, and a statement of the amounts received for the goods sold at said sale. This money is credited by the treasurer to the general fund and may be paid to the owner if request is made within three years of the time the money is deposited with the county. (Sec. 583.5, .6)

When vessels, rafts, or lumber valued at more than $20 are found and not claimed, they are sold and the proceeds, minus the costs involved, are paid to the county treasurer. This money is held by the treasurer in trust for the owner. It may be paid to the owner providing he requests it within a year from the time the treasurer received it. After this time, claim to the money is waived by the owner and it is credited to the common schools funds. (Sec. 644.4, .15)

Should it be necessary to sell an animal in order to pay damages caused by it, any money over the cost of the damages belongs to the owner. The excess is paid to the county treasurer if the owner is unknown and a duplicate receipt is issued of which one is filed with the county auditor. The money will be paid to the owner if he files a claim to it within twelve months of payment to the treasurer. (Sec. 188.18)

Other Payments to the Treasurer

Payments to funds other than the county fund also pass through the treasurer's office.

Sale of State Lands

Proceeds from the sale of state lands and money from estates escheated to the state are paid to the treasurer of the county the lands are in. This money is paid by the county to the state treasurer once a month. Land that is part of the 500,000 acres grant of land from the state for the school fund may be sold. The interest on such a sale (at least 3.5 percent per year) is paid to the county treasurer on January 1. When this interest becomes delinquent, a penalty equal to the interest on the principal is charged; the money collected as interest is forwarded to the state treasurer each February 1. The costs of any damage to these school lands are paid to the county treasurer who forwards these funds to the state treasurer as part of the permanent school fund. (Sec. 302.2, .5, .7, 334.9)

Swamp Land Indemnity

Treasurers may receive money from the federal government for deposit in a swamp land indemnity fund. The receipt of such federal money must be reported to the board of supervisors. A treasurer is liable on his bond for any federal funds in his custody. (Sec. 12.16)

School Fund

Any proceeds left over from the seizure and sale of conveyances used in the illegal transportation of intoxicating liquor are paid by the county

sheriff to the county treasurer who shall credit the same to the county school fund. (Sec. 127.2, .20, .21)

Flood Control Payments

Whenever the federal government makes a payment of money to a school district or county for their share of the receipts from the operation of the federal government flood control projects, the payments shall be payable to the county treasurer of the county in which such payments are due. Twenty-five percent of the amount paid is credited by the county treasurer to the secondary road funds which are principally affected by the construction of such federal flood control projects. The board of supervisors determine which roads are principally affected. Sixty-five percent of the amount paid shall be distributed to the general funds of the school districts after the county auditor has determined the amount to be allocated to each. The amount is paid over to the treasurer of the recipient school districts by the county treasurer. The remaining ten percent, or so much thereof as deemed necessary by the board of supervisors, shall be allocated to the local fire departments. (Sec. 467B.12-.14)

Unclaimed Estates

Unclaimed estates may constitute part of the fees turned over to the county treasurer by the clerk of court on the first Monday in January and July of each year. The treasurer deposits such unclaimed estates in a separate "Unclaimed Property Fund." The treasurer should note that all other fees go into the county general fund. The treasurer holds such estates for ten years. If no claim is made within that time the estate is turned over to the state treasurer's office. Should the treasurer have any questions on this matter, the state treasurer's office should be contacted for clarification.

Meal Payments from Sheriff

Every prisoner gainfully employed is liable for the cost of his board in the jail as fixed by the county board of supervisors. If the jail food is furnished directly by the county, the sheriff shall account for and pay over such meal payments to the county treasurer. (Sec. 356.30)

Abandoned Property

The net proceeds after deducting the cost of removal of an abandoned motor vehicle or other property is to be applied to the cost of removal and storage of the property. The remainder, if any, is paid to the county treasurer for the use and benefit of the county general fund. (Sec. 556B.1)

Cost Property

The net proceeds of all sales of cost property made by the county sheriff, and all money or bank notes paid over to the county treasurer under the provisions of Chapter 644 of the Code are to remain in the hands of the county treasurer in trust for the owner. The owner may apply within one year of the time the money has been paid over to the treasurer; however, if no owner appears within that time the money shall be forfeited. In such a case the money shall remain in the county treasury for the use of the common schools in the county. (Sec. 644.15)

Search Warrants

The proceeds derived from a sale and the money seized and forfeited, if any, shall be paid by the peace officer to the county treasurer and credited to the school fund of the county. (Sec. 751.29)

Fines and Forfeited Bail

The clerk of district court remits ten percent of all finds and forfeited bail received from a magistrate or district associate judge when a city is the plaintiff. This ten percent is received by the county treasurer and deposited in the county general fund. The clerk of district court shall remit to the treasurer of the county, for the benefit of the school fund, all other fines and forfeited bail received from a magistrate. The county treasurer also receives two-fifths of all fees and costs for the filing of a complaint or information or upon forfeiture of bail received from a magistrate by the clerk. (Sec. 602.55) These fees and costs are received by the treasurer as part of the clerk's quarterly report.

Memorial Buildings and Monuments

All uninvested memorial buildings and monuments funds shall be kept on deposit with the county treasurer. Memorial hospital funds are to be received, disbursed, and accounted for in the same procedure as provided by Section 347.12 of the Code.

Reports Received

The county treasurer is responsible for receiving reports from various sources as required by the Code.

Monument Commission

The names of the chairman, secretary, and treasurer of a memorial buildings and monuments commission are to be reported to the county treasurer by the commission secretary immediately after appointment. (Sec. 37.9)

Hospital Board

The name of the chairman, secretary, and treasurer of a hospital board are to be reported to the county treasurer by the board secretary as soon as practicable after the appointment of each. (Sec. 347A.1)

School Boards

The name and post office address of the president, secretary, and treasurer of a school board are to be reported to the county treasurer by the board secretary as soon as practicable after the qualification of each. In addition, the treasurer receives a copy of the board secretary's annual report. The report shall include the amount of the general fund, and the school house fund held over, received, paid out and on hand. The several funds are to be separately stated. (Sec. 291.15, .11)

Report of Seizure

The director of transportation shall forward a notice of seizure of a conveyance to the treausrer of each county if the owner's home does not appear on record in the office of the state department of transportation. (Sec. 127.12)

State Sinking Fund Depositories

It is the duty of all school treasurers, city treasurer, or other financial officers designated by the city council, and township clerks of the county to keep on file with the county treasurer a list of state sinking fund depositories. (Sec. 454.6)

Auditor's Bond

The bonds and official oaths of the county auditor, after approval and proper record, are filed with the county treausrer. (Sec. 64.23)

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