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Today the Iowa Department of Revenue issued an assessment limitations order on property values in Iowa. These adjustments in value are necessary to comply with the state law that allows no more than a 4% increase in taxable values from 2008 to 2009 for agricultural, residential, commercial, and industrial property. Utility property is limited to an 8% annual growth. Railroad property is adjusted by the lowest percentage applied to commercial, industrial, and utility property.

County auditors will apply the adjustments to each property class to compute the taxable values used for property taxes. Tax liabilities based on the 2009 taxable values and payable in fiscal year 2010-11 will not be determined until local taxing bodies establish their property tax needs early next year.

Agricultural property is assessed at its productivity value. The 2009 assessed value is \$38 billion; the taxable value is \$25.2 billion, which is 66.2715% of the assessed value.

All other property is assessed at market value. Residential assessed value is \$132.4 billion; the taxable value is \$62.1 billion, which is 46.9094% of the assessed value. Residential property includes farm dwellings.

No adjustments are ordered for the commercial, industrial, railroad, and utility classes, because their assessed values did not increase enough to qualify for reductions.

Assessment limitations were first applied in 1978 with 6% growth allowed for the taxable values of agricultural and residential property. For 1979, the allowed growth was 6% for agricultural, residential, commercial, and industrial properties, and 10% for utility property. For 1980 and subsequent years, the allowed growth was 8% for utility properties and 4% for the other classes of property.

Past years' rollback percentages are online in Excel at <http://www.iowa.gov/tax/locgov/rollbackchart.xls>

Additional information about assessment limitations is at <http://www.state.ia.us/tax/locgov/propequalroll.html>

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