

# TITLE III: PROPERTY/LAND USE AND DEVELOPMENT

## CHAPTER V.

### INDUSTRIAL TAX EXEMPTION

#### SECTION 1. PURPOSE

This ordinance provides for a partial exemption from property taxation of the actual value added to industrial real estate, pursuant to Chapter 427B, Code of Iowa (1995).

#### SECTION 2. AMOUNT OF EXEMPTION

2.1. The actual value added to industrial real estate by new construction of industrial real estate, research-service facilities, warehouses, and distribution centers is eligible to receive a partial exemption from taxation for a period of five (5) years. "Actual value added" as used in this ordinance means the actual value added as of the first of the year for which the exemption is received. The amount of actual value added which is eligible to be exempt from taxation shall be as follows:

for the first year, seventy-five percent (75%)

for the second year, sixty percent (60%)

For the third year, forty-five percent (45%)

For the fourth year, thirty percent (30%)

For the fifth year, fifteen percent (15%)

2.2. The granting of the exemption under this section for new construction constituting complete replacement of an existing building or structure shall not result in the assessed value of the industrial real estate being reduced below the assessed value of the industrial real estate before the start of the new construction added.

#### SECTION 3. APPLICATION

3.1 An application shall be filed for each project resulting in actual value added for which an exemption is claimed. The application for exemption shall be filed by the owner of the property with the Assessor by February first of the assessed year in which the value added is first assessed for taxation. Applications for exemption shall be made on forms furnished by the assessor and shall contain information pertaining to the nature of the improvement, its cost and other information deemed necessary by the assessor.

3.2. A person may submit a proposal to the Muscatine County Board of Supervisors to receive prior approval for eligibility for a tax exemption on new construction. The Board, by ordinance, may give its prior approval of the tax exemption for new construction if the new construction is in conformance with the Muscatine County Zoning Ordinance and Comprehensive Plan. The prior approval shall also be subject to the hearing requirements of Section 427B.1, Code of Iowa (1995).

3.3. Such prior approval shall not entitle the owner to exemption from taxation until the new construction has been completed and found to be qualified real estate. However, if the tax exemption for new construction is not approved, the person may submit an amended proposal to the Board of Supervisors to approve or reject.

#### SECTION 4. TERMS DEFINED

The terms 'new construction', 'research service facilities', 'warehouse' and 'distribution center' shall have the meanings attributed to them in Section 427B.1, Code of Iowa (1995).

**SECTION 5. LIMITATION ON TAX EXEMPTIONS**

A property tax exemption under this ordinance shall not be granted if the property for which the exemption is claimed has received any other property tax exemption authorized by law.

**SECTION 6. PRIOR EXEMPTION RATIFIED**

Exemptions submitted to and approved by the assessor prior to the effective date of this ordinance but after the termination date of the predecessor hereof are hereby approved and ratified.