

CHAPTER 11 - PARTIAL TAX EXEMPTION FOR INDUSTRIAL PROPERTY
ORDINANCE OF DUBUQUE COUNTY, IOWA

Adopted December 28, 1987
Amended January 18, 1988

Table of Contents

	Page
Part 1 Introduction.	2
11-1 Legal Authority.	2
11-2 Definitions.	2
11-3 through 11-10 Reserved	
Part 2 General Provisions.....	3
11-11 New Machinery and Equipment.....	3
11-12 Duration.	3
11-13 Amount of Exemption.	3
11-14 Application.....	3
11-15 Repeal	4
11-16 Dual Exemptions Prohibited.	4
11-17 through 11-20 Reserved	
Part 3 Enactment.	4
11-21 Effective Date.	4

**PART 1
INTRODUCTION**

- 11-1 LEGAL AUTHORITY. This Ordinance hereby provides for a partial exemption from property taxation of the actual value added to industrial real estate by the new construction of industrial real estate research-service facilities, warehouses, distribution centers, owner-operated cattle facilities and the acquisition of or improvement to machinery and equipment assessed as real estate pursuant to Section 427A.1(1)(e) of the Code of Iowa. [Amended January 18, 1988.]
- 11-2 DEFINITIONS.
- 11-2.1 **"Distribution Center"** means a building or structure used primarily for the storage of goods which are intended for subsequent shipment to retail outlets. Distribution Center does not mean a building where a structure used primarily to store raw agricultural products, used primarily by a manufacturer to store goods to be used in the manufacturing process, used primarily for the storage of petroleum products, or used for the retail sale of goods.
- 11-2.2 **"New Construction"** as referred to herein means new buildings and structures and includes new buildings and structures which are constructed as additions to existing buildings and structures. New construction does not include reconstruction of an existing building or structure which does not constitute complete replacement of an existing building or structure or refitting of an existing building or structure, unless the reconstruction of an existing building or structure is required due to economic obsolescence and the reconstruction is necessary to implement recognized industry standards for the manufacturing and processing of specific products and the reconstruction is required for the owner of the building or structure to continue to competitively manufacture or process those products, which determination shall receive prior approval from the Board of Supervisors of Dubuque County upon the recommendation of the Iowa Department of Economic Development.
- 11-2.3 **"Owner-operated cattle facilities"** shall include small or medium sized feedlots but shall not include slaughter facilities. The partial exemption provided under this ordinance shall apply to the actual value added to such facilities either by new construction or by the retrofitting of existing facilities. [Amended January 18, 1988.]
- 11-2.4 **"Research - Service Facility"** means a building or group of building devoted primarily to research and development activities, including, but not limited to, the design and production or manufacture of prototype products for experimental use, and corporate - research services which do not have a primary purpose of providing on-site services to the public.
- 11-2.5 **"Warehouse"** means a building or structure used as a public warehouse for the storage of goods pursuant to Chapter 554, Article 7, of the Code of Iowa, except that it does not mean a building or structure used primarily to store raw

agricultural products or from which goods are sold at retail.

11-3 through 11-10 Reserved.

PART 2 GENERAL PROVISIONS

- 11-11 **NEW MACHINERY AND EQUIPMENT.** This exemption shall also apply to new machinery and equipment assessed as real estate pursuant to Section 427A.1(1)(e) of the Code of Iowa, unless the machinery or equipment is part of the normal replacement or operating process to maintain or expand the existing operational status.
- 11-12 **DURATION.** The partial exemption shall be available until such time as this Ordinance is repealed by the Board of Supervisors of Dubuque County or is no longer authorized by State law.
- 11-13 **AMOUNT OF EXEMPTION.**
- 11-13.1 The actual value added to industrial real estate for the reason specified in this Ordinance is eligible to receive a partial exemption from taxation for a period of five years. However, if property ceases to be classified as industrial real estate or ceases to be used as a warehouse or distribution center, the partial exemption for the value added shall not be allowed for subsequent assessment years. "Actual value added" as used in this Ordinance means the actual value added as of the first year for which the exemption is received, except that actual value added by improvements to machinery and equipment means actual value as determined by the County Assessor as of January 1 of each year for which the exemption is received. The amount of actual value added which is eligible to be exempt for taxation shall be as follows:
- a For the first year, 75%.
 - b For the second year, 60%.
 - c For the third year, 45%.
 - d For the fourth year, 30%.
 - e For the fifth year, 15%.
- 11-13.2 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.
- 11-14 **APPLICATION.**

- 11-14.1 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 County Assessor by February 1 of the assessment year in which the value added is first assessed for taxation. Applications for exemption shall be made on forms prescribed by the State Director of Revenue.
- 11-14.2 A person may submit a proposal to the Board of Supervisors of Dubuque County to receive prior approval for eligibility for a tax exemption on new construction. The Board of Supervisors, by resolution, may give its prior approval of a tax exemption for new construction if the new construction is in conformance with the zoning plans of Dubuque County. The prior approval shall not be given until a public hearing is held on the proposal in accordance with the requirements of Section 358A.6 of the Code of Iowa. 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 Dubuque County Board of Supervisors for approval or rejection.
- 11-15 REPEAL. When in the opinion of the Board of Supervisors of Dubuque County continuation of the exemption granted in this Ordinance ceases to be of benefit to Dubuque County, the Board of Supervisors may repeal this Ordinance, but all existing exemptions shall continue until their expiration period.
- 11-16 DUAL EXEMPTIONS PROHIBITED. 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.
- 11-17 through 11-20 Reserved.

**PART 3
ENACTMENT**

- 11-21 EFFECTIVE DATE. This Ordinance shall be in effect from the date of its adoption as provided by law.