

ORDINANCE NO. TITLE VI NO. 1

**Title: An Ordinance Authorizing Industrial Property Tax Credits.**

Be it Enacted by the Board of Supervisors of Butler County, Iowa:

SECTION 1. Purpose. The purpose of this ordinance is to authorize partial property tax exemptions for industrial property on which improvements have been made, in accordance with the provisions of Chapter 427B, Code, 1989.

SECTION 2. Partial Exemption Provided For. The County of Butler hereby provides for a partial tax exemption from property taxation of the actual value added to industrial real estate by the new construction of industrial real estate and the acquisition of or improvement to machinery and equipment assessed as real estate pursuant to Section 427.A.1 (1e) Code, 1989, within the county of Butler. This provision shall be subject to the definitions and requirements set forth in Chapter 427B, Code, 1989.

SECTION 3. Actual Value Added. The actual value added to industrial real estate for the reasons specified in Section 2 above is eligible to receive a partial exemption from taxation for a period of five (5) years. "Actual Value Added" 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 equipments means the actual value as determined by the Assessor as of January 1st of each 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: a. For the First year--75%, b. For the Second year--60%, c. For the Third year--45%, d. For the Fourth year--30%, and e. For the Fifth year--15%.

SECTION 4. Application for Exemption. An Application for Exemption shall be filed by the owner of the property with the local Assessor by February 1st of the assessment year in which the value added is first assessed for taxation, for each project resulting in actual value added for which an exemption is claimed. Application for Exemption shall be made on forms prescribed by the Director of Revenue of the State of Iowa, supplying all information deemed necessary by said Director.

SECTION 5. Length of Availability. The partial exemption shall be available until repealed as provided by Chapter 427B, Code, 1989.

SECTION 6. When Effective. This ordinance shall be effective after its final passage, approval, and publication as provided by law.

Said hearing will take place on Monday, May 22, 1989 at 11:00  
a.m., at which time all parties in interest and citizens shall have an opportunity to be heard.

DONALD G. JOHNSON, AUDITOR  
BUTLER COUNTY COURTHOUSE  
ALLISON, IA 50602