

Administrative Rule Fiscal Impact Statement

Date: , 2009

Agency: Department of Revenue--701

IAC Citation: Chapter 71, "Assessment Practices and Equalization."

Summary of the Rule:

The rules are amended to clarify that the assessor must classify property as of the assessment date according to its present use and not according to its highest and best use. Also, when determining the actual value of property as of the assessment date, the assessor shall not base the determination on a speculative highest and best use not supported by current comparable sales. A valuation supported by current comparable sales would not be based on a speculative highest and best use.

Fill in this box if the impact meets these criteria:

- No Fiscal Impact to the State.
- Fiscal Impact of less than \$100,000 annually or \$500,000 over 5 years.
- Fiscal Impact cannot be determined.

Brief Explanation:

Fill in the form below if the impact does not fit the criteria above:

- Fiscal Impact of \$100,000 annually or \$500,000 over 5 years.

Assumptions:

The state is not affected by the rule change.

Describe how estimates were derived:

The state is not affected by the rule change.

Estimated Impact to the State by Fiscal Year

	<u>Year 1 (FY-09)</u>	<u>Year 2 (FY-10)</u>
Revenue by Each Source:		
GENERAL FUND		
FEDERAL FUNDS		
Other (specify)		

TOTAL REVENUE	0	0
Expenditures:		
GENERAL FUND		
FEDERAL FUNDS		
Other (specify)		
TOTAL EXPENDITURES	0	0
NET IMPACT	0	0

This rule is required by State law or Federal mandate. No.

Please identify the state or federal law:

 Funding has been provided for the rule change. N/A.

Please identify the amount provided and the funding source:

 Funding has not been provided for the rule. N/A.

Please explain how the agency will pay for the rule change:

Fiscal impact to persons affected by the rule:

The rules are not anticipated to have any beneficial or detrimental fiscal impact on anyone.

Fiscal impact to Counties or other Local Governments (required by Iowa Code 25B.6

The rules are not anticipated to have any fiscal impact on local governments.

Agency representative preparing estimate: Ed Henderson

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