

**276.131 DISTRIBUTION OF PENALTIES, INTEREST, AND COSTS.**

The penalties, interest, and costs collected on special assessments and real and personal property taxes must be distributed as follows:

(1) all penalties and interest collected on special assessments against real or personal property must be distributed to the taxing jurisdiction that levied the assessment;

(2) 50 percent of all penalties collected on real and personal property taxes must be distributed to the school districts within the county, and the remaining 50 percent must be distributed to the county;

(3) in the case of interest on taxes that have been delinquent for a period of one year or less, (a) 50 percent of the interest must be distributed to the school districts within the county and (b) the remaining 50 percent shall be distributed to the county;

(4) in the case of interest on taxes that have been delinquent for a period of more than one year, (a) 50 percent of the interest must be distributed to the school districts within the county and (b) the remaining 50 percent must be distributed as follows: (i) the city or town where the property is located shall receive a share of the amount of interest equal to the proportion that the city's or town's local tax rate for the year that the interest was collected, is to the sum of the city's or town's local tax rate and the county's local tax rate for the year that the interest was collected and (ii) the balance must be distributed to the county; and

(5) all costs collected by the county on special assessments and on delinquent real and personal property taxes must be distributed to the county in which the property is located.

The distribution of all penalties and interest to the school district must be in accordance with the provisions of section 127A.34.

**History:** 1989 c 277 art 2 s 38; 1995 c 264 art 3 s 16; 1998 c 397 art 11 s 3; 1999 c 243 art 5 s 26