Iowa Department of Revenue

Director: Courtney M. Kay-Decker
Hoover State Office Building
Des Moines, Iowa 50319
www.iowa.gov/tax

TO: REPLACEMENT TAX TAXPAYERS

SUBJECT: 2014 ESTIMATED REPLACEMENT TAXES

In order to more accurately calculate the taxable value of utility companies each year, the Department requests that the Estimated Replacement Tax form be completed by the taxpayer, if required. Estimated replacement taxes are only used to produce a taxable valuation for local government budgeting purposes.

If any of the following situations are anticipated for calendar year 2014, complete the applicable area(s) of the form. If none of the situations apply, you do not need to complete the form.

A. The taxpayer is reporting replacement tax for the first time or the prior year replacement tax was zero or a partial tax.

B. The taxpayer's transmission or generation tax will vary by more than 10% from the previous year.

C. Natural gas deliveries to a new electric power generating plant that vary by more than 10% from the previous year.

D. The taxpayer paid more than $500,000 in *replacement* taxes in the prior year.

E. You sold a portion or all of the company in 2014. Please indicate the date of sale next to the company name on the ERT Form.

Note: Deliveries of electricity or natural gas by a taxpayer within a competitive service area where the taxpayer is the predominant provider and deliveries are subject to threshold adjustments should not be reported on the form.

If you are required to file the form, please return it to the Department of Revenue by October 1, 2014. You may return the form by mail or e-mail. The address information is listed at the bottom of the reporting form.

Any questions can be directed to the Property Tax Section at (515) 281-4040 or via e-mail at IDR-PropTax@iowa.gov.