

4 2. By striking from lines seven (7) and eight (8) the words "in cities
5 having a population of five thousand or more".

1 SEC. 2. Section four hundred twelve point two (412.2), subsection
2 three (3), Code 1966, is hereby amended by striking from line four (4) the
3 word "city".

1 SEC. 3. Section four hundred twelve point three (412.3), Code 1966, is
2 hereby amended by striking from line one (1) the word "city".

1 SEC. 4. Section four hundred twelve point four (412.4), Code 1966, is
2 hereby amended by striking from line one (1) the word "city".

1 SEC. 5. Section four hundred twelve point five (412.5), Code 1966, is
2 hereby amended by striking from line four (4) the words "light plants" and
3 inserting in lieu thereof the words "plants and systems".

Approved May 12, 1969.

CHAPTER 242
BOARD OF TAX REVIEW
H. F. 281

AN ACT relating to general powers of the state board of tax review.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Chapter three hundred forty-two (342), section one (1),
2 Acts of the Sixty-second General Assembly, is hereby amended by adding
3 thereto the following new subsection:

4 "All of the provisions of section four hundred twenty-two point sixty-
5 three (422.63) of the Code, shall also be applicable to the state board of tax
6 review."

Approved May 19, 1969.

CHAPTER 243
IOWA INCOME TAX
H. F. 810

AN ACT relating to the Iowa income tax.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section four hundred twenty-two point five (422.5), Code
2 1966, as amended by chapter three hundred forty-eight (348), section
3 fourteen (14), Acts of the Sixty-second General Assembly, is hereby further
4 amended by inserting the following paragraph after line forty-four (44):

5 "However, no tax shall be imposed on any resident or nonresident
6 whose net income, as defined in section four hundred twenty-two point
7 seven (422.7) of the Code, is three thousand dollars or less; but in the

8 event that the payment of tax under this division would reduce the net
9 income to less than three thousand dollars, then the tax shall be reduced
10 to that amount which would result in allowing the taxpayer to retain a net
11 income of three thousand dollars. The preceding sentence does not apply
12 to estates or trusts. For the purpose of this paragraph, the entire net in-
13 come, including any part thereof not allocated to Iowa, shall be taken into
14 account. If the combined net income of a husband and wife exceeds three
15 thousand dollars, neither of them shall receive the benefit of this para-
16 graph, and it is immaterial whether they file a joint return or separate re-
17 turns. An unmarried child under twenty-one years of age who is a depend-
18 ent of his parent or parents as defined in section four hundred twenty-two
19 point twelve (422.12) of the Code, shall not receive the benefit of this para-
20 graph if such parent's net income exceeds three thousand dollars or if the
21 combined net income of such parents exceeds three thousand dollars."

1 SEC. 2. Section four hundred twenty-two point twelve (422.12), Code
2 1966, as amended by chapter three hundred forty-eight (348), section fifteen
3 (15), Acts of the Sixty-second General Assembly, is hereby further amend-
4 ed by striking subsections one (1) and two (2) and inserting in lieu thereof
5 the following:

6 "1. For a single individual, or a married person filing a separate return,
7 fifteen dollars.

8 2. For a head of household, or a husband and wife filing a joint return,
9 thirty dollars."

1 SEC. 3. Section four hundred twenty-two point thirteen (422.13), Code
2 1966, is hereby amended by striking subsections one (1) and two (2) and in-
3 serting in lieu thereof the following:

4 "1. Every resident of Iowa who is required to file a federal income tax
5 return under the Internal Revenue Code of 1954, or who has a net in-
6 come of one thousand dollars or more for the tax year from sources taxable
7 under this division, shall make and sign a return.

8 2. Every nonresident who is required to file a federal income tax re-
9 turn under the Internal Revenue Code of 1954 and who has a net income
10 of one thousand dollars or more for the tax year from sources taxable under
11 this division, shall make and sign a return."

1 SEC. 4. Section four hundred twenty-two point five (422.5), Code
2 1966, is hereby amended by adding the following new paragraph:

3 "A resident of Iowa who is on active duty in the armed forces of the
4 United States, as defined in Title 10, United States Code, Section 101, for
5 more than six months in any calendar or fiscal year, shall not include his
6 taxable income received from such service in computing the tax imposed by
7 this section for such calendar or fiscal year."

Approved June 7, 1969.