

9 extend the statute of limitations for assessment of federal tax to six
 10 years under said Code, the period for examination and determination
 11 shall be six years; and provided further that the period for examina-
 12 tion and determination shall be unlimited in the case of a false or
 13 fraudulent return with intent to evade tax or in the case of failure to
 14 file a return. Notwithstanding the periods of limitation for exami-
 15 nation and determination heretofore specified, the department shall
 16 have six months from the date of final disposition of any controversy
 17 between the taxpayer and the internal revenue service with respect to
 18 the particular tax year to make the examination and determination
 19 to make an examination and determination from the date of receipt by
 20 the department of notice from the taxpayer of the final disposition of
 21 any matter between the taxpayer and the internal revenue service with
 22 respect to the particular tax year. In order to begin the running of the
 23 six-months period, the notice shall be in writing in any form sufficient
 24 to inform the department of such final disposition with respect to such
 25 year, and a copy of the federal document showing the final disposition
 26 or final federal adjustments shall be attached to the notice. The burden
 27 of proof of additional tax owing under the six-year period, or unlim-
 28 ited period, shall be on the department. If the tax found due is greater
 29 than the amount paid, the department shall compute the amount due,
 30 together with interest and penalties as provided in subsection 2 of this
 31 section, and shall notify the taxpayer by certified mail of the total,
 32 which shall be a sum certain if paid on or before the last day of the
 33 month in which the notice is postmarked, or on or before the last day
 34 of the following month if the notice is postmarked after the twentieth
 35 day of any month. The notice shall also inform the taxpayer of the
 36 additional interest and penalty which will be added to the total due if
 37 not paid on or before the last day of the applicable month.

1 SEC. 2. The provisions of this Act shall be effective for all out-
 2 standing tax audits conducted by the internal revenue service where
 3 final disposition of such audits has not been determined by July 1,
 4 1973.

Approved July 12, 1973.

This Act was passed by the G. A. before July 1, 1973.

CHAPTER 245

CORPORATE INCOME TAX RETURNS

S. F. 64

AN ACT relating to signatures required on corporate income tax returns.

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

1 SECTION 1. Section four hundred twenty-two point thirty-six
 2 (422.36), subsection one (1), Code 1973, is amended to read as follows:
 3 1. Every corporation shall make a return and the same shall be
 4 signed by the president, ~~vice-president,~~ or other ~~principal~~ *duly author-*
 5 *ized officer and by the treasurer or assistant treasurer.* Before a cor-
 6 poration shall be dissolved and its assets distributed it shall make a

7 return for any settlement of the tax for any income earned in the
8 income year up to its final date of dissolution.

1 SEC. 2. The provisions of this Act shall become effective for tax
2 periods beginning on or after January 1, 1973.

Approved February 26, 1973.

CHAPTER 246

SALES TAX LIABILITY OF BUILDERS

S. F. 124

AN ACT relating to sales tax on purchases made by contractors who are retailers.

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

1 SECTION 1. Section four hundred twenty-two point forty-two
2 (422.42), subsection nine (9), Code 1973, is amended by adding the
3 following new paragraph:

4 NEW PARAGRAPH. Where the owner, contractor, subcontractor or
5 builder is also a retailer holding a retail sales tax permit and transact-
6 ing retail sales of building materials, supplies, and equipment, he shall
7 purchase such items of tangible personal property without liability for
8 the tax if such property will be subject to the tax at the time of resale
9 or at the time it is withdrawn from inventory for construction pur-
10 poses. The sales tax shall be due in the reporting period when the
11 materials, supplies, and equipment are withdrawn from inventory for
12 construction purposes or when sold at retail.

Approved March 23, 1973.

CHAPTER 247

MOTOR FUEL SALES TAX EXEMPTIONS

H. F. 314

AN ACT relating to exemptions from the sales and use tax on sales subject to a special tax.

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

1 SECTION 1. Section four hundred twenty-two point forty-five
2 (422.45), Code 1973, is amended by adding the following new sub-
3 section:

4 NEW SUBSECTION. The gross receipts from the sale of motor fuel
5 and special fuel consumed for highway use or in watercraft where the
6 fuel tax has been imposed and paid and no refund has been or will be
7 allowed.

1 SEC. 2. Section four hundred twenty-two point forty-six (422.46),
2 Code 1973, is amended to read as follows:

3 422.46 Credit on tax. A credit shall be allowed against the amount
4 of tax computed to be due and payable on the gross receipts from sales
5 at retail of any tangible personal property or from services rendered,