

16 *the portion of such property which is not subject to taxation under the*  
 17 *provisions of this chapter shall be the proportion which the actual*  
 18 *contribution by the surviving spouse is of the total contribution to*  
 19 *acquisition of such property. The tax imposed upon the passing of*  
 20 *property under the provisions of this subsection shall apply to prop-*  
 21 *erty held under all such contracts or agreements whether made before*  
 22 *or after the taking effect of this chapter.*

1 SEC. 4. Section four hundred fifty point nine (450.9), Code 1973,  
 2 is amended to read as follows:

3 **450.9 Individual exemptions.** In computing the tax on the net  
 4 estate passing to the surviving spouse, heirs or beneficiaries of the  
 5 deceased the following credits or exemptions shall be allowed:

- 6 1. ~~Wife Surviving spouse, forty eighty thousand dollars.~~  
 7 ~~2. Husband, forty thousand dollars.~~  
 8 3. Each son and daughter, including legally adopted sons and  
 9 daughters, or illegitimate sons and daughters entitled to inherit under  
 10 the law of this state, fifteen thousand dollars.  
 11 4. Father or mother, ten thousand dollars.  
 12 5. Any other lineal descendant of the deceased, five thousand dol-  
 13 lars.

1 SEC. 5. Section one (1) of this Act is applicable to tax years be-  
 2 ginning on or after January 1, 1974, section two (2) of this Act is  
 3 applicable to sales made on or after July 1, 1974, and sections three (3)  
 4 and four (4) of this Act are applicable to the estate of a person whose  
 5 death occurs on or after July 1, 1974.

Approved May 30, 1974

## CHAPTER 1222

### ABATEMENT OF TAXES

#### S. F. 1251

AN ACT relating to the abatement of assessment of taxes, interest and penalties.

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

1 SECTION 1. Section four hundred twenty-two point twenty-eight  
 2 (422.28), Code 1973, is amended to read as follows:

3 **422.28 Revision of tax.** A taxpayer may appeal to the director for  
 4 revision of the tax, interest, and/or penalties assessed against him at  
 5 any time within ninety days from the date of the notice of the assess-  
 6 ment of such tax, additional tax, interest, and/or penalties. The direc-  
 7 tor shall grant a hearing ~~thereon~~ and if, upon ~~such~~ the hearing, the  
 8 director ~~shall determine~~ *determines* that the tax, interest, and/or pen-  
 9 alties are excessive or incorrect, the director shall revise ~~the same~~  
 10 *them* according to the law and the facts and adjust the computation  
 11 of the tax, interest, and/or penalties accordingly. The director shall  
 12 notify the taxpayer by registered mail of the result of the hearing and  
 13 shall refund to the taxpayer the amount, if any, paid in excess of

14 the tax, interest, and/or penalties found by the director to be due, with  
 15 interest after sixty days from the date of payment by the taxpayer at  
 16 six percent per annum. *The director may, on his own motion at any*  
 17 *time, abate any portion of tax, interest or penalties which he deter-*  
 18 *mines is excessive in amount, or erroneously or illegally assessed. The*  
 19 *director shall prepare quarterly reports, which shall be included in the*  
 20 *annual statistical reports required under section four hundred twenty-*  
 21 *two point seventy-five (422.75) of the Code, summarizing each case in*  
 22 *which an abatement of tax, interest, or penalties was made under this*  
 23 *section, but the report shall not disclose the identity of the taxpayer.*

Approved May 2, 1974

## CHAPTER 1223

### MOTOR FUEL TAX CREDIT

S. F. 1211

AN ACT relating to a state fuel tax credit.

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

1 SECTION 1. Chapter four hundred twenty-two (422), Code 1973, is  
 2 amended by adding sections two (2) through four (4) of this Act as a  
 3 new division.

1 SEC. 2. NEW SECTION. In lieu of the fuel tax refund provided in  
 2 sections three hundred twenty-four point seventeen (324.17) through  
 3 three hundred twenty-four point nineteen (324.19) of the Code, each  
 4 person or corporation subject to taxation under divisions two (II) or  
 5 three (III) of this chapter, except those persons or corporations  
 6 licensed under sections three hundred twenty-four point four (324.4)  
 7 or three hundred twenty-four point thirty-six (324.36) of the Code,  
 8 may elect to receive an income tax credit for tax years beginning on  
 9 or after January 1, 1975. The person or corporation which elects to  
 10 receive an income tax credit shall cancel its refund permit obtained  
 11 under section three hundred twenty-four point eighteen (324.18) of  
 12 the Code within thirty days after the first day of its tax year. When  
 13 the election to receive an income tax credit has been made, it remains  
 14 effective for at least one tax year, and for subsequent tax years unless  
 15 a change is requested and a new refund permit applied for within  
 16 thirty days after the first day of the person's or corporation's tax year.  
 17 The income tax credit shall be the amount of the Iowa fuel tax paid on  
 18 fuel purchased by the person or corporation and used as follows:

19 1. Motor fuel as defined in section three hundred twenty-four point  
 20 two (324.2), subsection one (1) of the Code, used for the purpose of  
 21 operating or propelling farm tractors, corn shellers, roller mills, truck-  
 22 mounted feed grinders, stationary engines, aircraft, for cleaning or  
 23 dyeing, or for any purpose other than in watercraft or in motor  
 24 vehicles operated or intended to be operated upon the public highways.

25 2. Special fuel as defined in section three hundred twenty-four point  
 26 thirty-three (324.33), subsection one (1) of the Code, used for the