

## CHAPTER 223

## FINANCE CHARGE DEFINED

S. F. 308

AN ACT relating to the definition of finance charge in consumer credit transactions and providing an exception thereto.

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

1 SECTION 1. Section five hundred thirty-seven point one thousand  
2 three hundred one (537.1301), subsection twenty (20), paragraph a, sub-  
3 paragraph one (1), Code 1975, is amended to read as follows:

4 (1) Interest or any amount payable under a point, discount or other  
5 system of charges, however denominated, except that, with respect to a  
6 consumer loan secured by a first lien on a dwelling of the debtor given  
7 to finance the acquisition of that dwelling, points, consisting of a  
8 charge paid in cash at the time of commitment or closing of a loan  
9 transaction, *or, with respect to a consumer credit sale of goods or*  
10 *services, a cash discount of five percent or less of the stated price of*  
11 *goods or services which is offered to the consumer for payment by*  
12 *cash, check or the like either immediately or within a period of*  
13 *time, shall not be part of the finance charge for the purpose of deter-*  
14 *mining maximum charges pursuant to section 537.2401 and chapters*  
15 *524, 534, and 535. A cash discount permitted by this subparagraph*  
16 *shall not be considered part of the finance charge for the purpose of*  
17 *determining compliance with Truth in Lending pursuant to section*  
18 *five hundred thirty-seven point three thousand two hundred one*  
19 *(537.3201) of the Code if it is properly disclosed as required by the*  
20 *Truth in Lending Act as amended to and including October 28,*  
21 *1975 and regulations issued pursuant to that Act as so amended*  
22 *prior to October 28, 1975.*

1 SEC. 2. The provisions of this Act shall become effective October  
2 28, 1975.

Approved July 3, 1975

## CHAPTER 224

## CIVIL SERVICE

H. F. 679

AN ACT relating to the final return, payment and refund, and appeal procedures for the state inheritance tax.

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

1 SECTION 1. Section four hundred fifty point ninety-four (450.94),  
2 Code 1975, is amended by striking the section and inserting in lieu  
3 thereof the following:

4 **450.94 Final return—determination—appeal.**

5 1. "Taxpayer" as used in this section means a person liable for the  
6 payment of tax as stated in section four hundred fifty point five  
7 (450.5) of the Code.