

1 SEC. 5. This Act, being deemed of immediate importance, shall take effect
 2 and be in force from and after its publication in the Cherokee Daily Times, a
 3 newspaper published in Cherokee, Iowa, and in the West Des Moines Express, a
 4 newspaper published in West Des Moines, Iowa.

Approved February 6, 1976

I hereby certify that the foregoing Act, Senate File 1060, was published in the Cherokee Daily Times, Cherokee, Iowa, February 12, 1976, and in the West Des Moines Express, West Des Moines, Iowa, February 12, 1976.

MELVIN D. SYNHORST, *Secretary of State*

CHAPTER 1193

TRUST DISTRIBUTIONS—INCOME TAX

H. F. 1321

AN ACT relating to accumulated distributions of trusts under the individual income tax and making the Act retroactive.

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

1 SECTION 1. Section four hundred twenty-two point six (422.6), Code 1975, is
 2 amended by adding the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. The beneficiary of a trust who receives an
 4 accumulation distribution shall be allowed credit without interest for the Iowa
 5 income taxes paid by the trust attributable to such accumulation distribution in a
 6 manner corresponding to the provisions for credit under the federal income tax
 7 relating to accumulation distributions as contained in the Internal Revenue Code
 8 of 1954. The trust shall not be entitled to a refund of taxes paid on the
 9 distributions. The trust shall maintain detailed records to verify the computation
 10 of the tax.

1 SEC. 2. The provisions of this Act shall be retroactive to January 1, 1976 for
 2 tax years beginning on or after January 1, 1976 and to this extent the provisions
 3 of this Act are retroactive.

Approved May 20, 1976