

CHAPTER 1131
CIVIL SERVICE INCOME TAX EXEMPTION

H. F. 2577

AN ACT relating to the income tax exemption for annuities received from the United States civil service retirement and disability trust fund and making the Act retroactive.

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

Section 1. Section four hundred twenty-two point five (422.5), unnumbered paragraph six (6), Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter ninety-three (93), section three (3), and as the section is amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter ninety-three (93), sections two (2) and four (4), is amended to read as follows:

A person who is disabled, ~~or~~ is sixty-two years of age or older or is the surviving spouse of an individual or survivor having an insurable interest in an individual who would have qualified for the exemption under this paragraph for this tax year and receives ~~an annuity or~~ one or more annuities from the United States civil service retirement and disability trust fund, and whose net income, as defined in section 422.7, is sufficient to require that the tax be imposed upon it under this section, may determine final taxable income for purposes of imposition of the tax by excluding the amount of ~~an annuity or~~ annuities received from the United States civil service retirement and disability trust fund, which are not already excluded in determining net income, as defined in section 422.7, up to a maximum each tax year of five thousand five hundred dollars for a person who files a separate state income tax return and eight thousand dollars total for a husband and wife who file a joint state income tax return. However, a surviving spouse who is not disabled or sixty-two years of age or older can only exclude the amount of annuities received as a result of the death of his or her spouse. The amount of the exemption shall be reduced by the amount of any social security benefits received. For the purpose of this section, the amount of ~~an annuity or~~ annuities received from the United States civil service retirement and disability trust fund taxable under the Internal Revenue Code of 1954 shall be included in net income for purposes of determining eligibility under the ~~four~~ five thousand dollar or less exclusion.

Sec. 2. This Act is retroactive to January 1, 1980 for tax years beginning on or after January 1, 1980.

Sec. 3. This Act, being deemed of immediate importance, takes effect from and after its publication in The Cedar Valley Daily Times, a newspaper

published in Vinton, Iowa, and in the Linn News-Letter, a newspaper published in Central City, Iowa.

Approved May 17, 1980

I hereby certify that the foregoing Act, House File 2577, was published in The Cedar Valley Daily Times, Vinton, Iowa on May 23, 1980 and in the Linn News-Letter, Central City, Iowa on May 28, 1980.

MELVIN D. SYNHORST, *Secretary of State*

CHAPTER 1132
VOLUNTARY SERVICES EXPENSE
H. F. 2511

AN ACT to allow an income tax deduction for certain expenses incurred in performing voluntary services.

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

Section 1. Section four hundred twenty-two point nine (422.9), subsection two (2), Code 1979, as the section is amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter ninety-three (93), section five (5), is amended by adding the following new lettered paragraph:

NEW LETTERED PARAGRAPH. Add an additional deduction for mileage incurred by the taxpayer in voluntary work for a charitable organization consisting of the excess of the state employee mileage reimbursement over the amount deductible for federal income tax purposes. The deduction shall be proven by the keeping of a contemporaneous diary by the person throughout the period of the voluntary work in the tax year.

Sec. 2. This Act takes effect January first following enactment for tax years beginning on or after January first following enactment.

Approved May 21, 1980