

subsection after subsection 24 and renumbering the remaining subsections:

NEW SUBSECTION. For a joint county indigent defense fund, an amount sufficient to make its per capita payment to the fund or to repay excess funds withdrawn from the fund as provided in a joint agreement executed under chapter 28E for the purposes specified in section 1 of this Act.

Approved May 21, 1982

CHAPTER 1225

STATE USE TAX ON OPTIONAL SERVICE OR WARRANTY CONTRACTS

S.F. 2292

AN ACT relating to the taxation of the use of certain optional service and maintenance contracts which provide for the furnishing of labor and materials for a fixed price.

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

Section 1. Section 423.1, subsection 4, Code 1981, is amended to read as follows:

4. "Tangible personal property" means tangible goods, wares, and merchandise, optional service or warranty contracts, and gas, electricity, and water when furnished or delivered to consumers or users within this state.

Approved May 13, 1982

CHAPTER 1226

STATE INCOME TAXATION OF NONRESIDENTS AND PART-YEAR RESIDENTS

S.F. 2309

AN ACT relating to the taxation of nonresidents and part-year residents under the state individual income tax law and making it retroactive.

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

Section 1. Section 422.5, unnumbered paragraph 1, Code 1981, is amended to read as follows:

A tax is hereby imposed upon every resident and nonresident of the state, and upon that part of the taxable income of any nonresident which is derived from any property, trust, or

other source within this state, including any business, trade, profession, or occupation carried on within this state, which tax shall be levied, collected, and paid annually upon and with respect to his the entire taxable income as herein defined in this division at rates as follows:

Sec. 2. Section 422.5, Code 1981, is amended by adding after subsection 13 the following new subsection:

NEW SUBSECTION. The tax imposed upon the taxable income of a nonresident shall be computed by reducing the amount determined pursuant to subsections 1 through 13 by the amounts of nonrefundable credits under this division and by multiplying this resulting amount by a fraction of which the nonresident's net income allocated to Iowa, as determined in section 422.8, subsection 2 in section 3 of this Act, is the numerator and the nonresident's total net income computed under section 422.7 is the denominator. This provision also applies to individuals who are residents of Iowa for less than the entire tax year.

Sec. 3. Section 422.8, subsection 2, Code 1981, is amended by striking the subsection and inserting in lieu thereof the following:

2. Nonresident's net income allocated to Iowa is the net income, or portion thereof, which is derived from a business, trade, profession, or occupation carried on within this state or income from any property, trust, estate, or other source within Iowa. If any business, trade, profession, or occupation is carried on partly within and partly without the state, only the portion of the net income which is fairly and equitably attributable to that part of the business, trade, profession, or occupation carried on within the state is allocated to Iowa for purposes of sections 2 and 5 of this Act and income from any property, trust, estate, or other source partly within and partly without the state is allocated to Iowa in the same manner, except that annuities, interest on bank deposits and interest-bearing obligations, and dividends are allocated to Iowa only to the extent to which they are derived from a business, trade, profession, or occupation carried on within the state. However, income received by an individual who is a resident of another state is not allocated to Iowa if the income is subject to an income tax imposed by the state where the individual resides, and if the state of residence allows a similar exclusion for income received in that state by residents of Iowa. In order to implement the exclusions, the director shall designate by rule the states which allow a similar exclusion for income received by residents of Iowa, and may enter into agreements with other states to provide that similar exclusions will be allowed, and to provide suitable withholding requirements in each state.

Sec. 4. Section 422.9, subsection 3, paragraphs d and e, Code 1981, are amended by striking the paragraphs.

Sec. 5. Section 422.13, Code 1981, is amended to read as follows:

422.13 RETURN BY INDIVIDUAL.

1. Every resident and nonresident of this state shall make and sign a return if any of the following are applicable:

a. The resident individual is required to file a federal income tax return under the Internal Revenue Code of 1954.

b. The resident individual has net income of four thousand dollars or more for the tax year from sources taxable under this division.

c. The resident individual is claimed as a dependent on another person's return and has net income of three thousand dollars or more for the tax year from sources taxable under this division.

2. Every nonresident shall make and sign a return if either of the following are applicable:

a. The nonresident is required to file a federal income tax return under the Internal Revenue Code of 1954 and has net income of four thousand dollars or more for the tax year from sources taxable under this division.

b. The nonresident is claimed as a dependent on another person's return and is required to file a federal income tax return under the Internal Revenue Code of 1954 and has net income of three thousand dollars or more for the tax year from sources taxable under this division.

d. However, if that part of the net income of a nonresident which is allocated to Iowa pursuant to section 422.8, subsection 2 in section 3 of this Act is less than five hundred dollars the nonresident is not required to make and sign a return.

3 2. For purposes of determining the requirement for filing a return under subsections 1 and 2 of this section subsection 1, the combined net income of a husband and wife from sources taxable under this division shall be considered.

4 3. If the taxpayer is unable to make his own the return, the return shall be made by a duly authorized agent or by a guardian or other person charged with the care of the person or property of such the taxpayer.

5 4. A nonresident taxpayer shall file a copy of his the taxpayer's federal income tax return for the current tax year with the return required by this section.

Sec. 6. This Act is retroactive to January 1, 1982 for tax years beginning on or after January 1, 1982.

Approved May 13, 1982

CHAPTER 1227
USES OF ELDERLY SERVICES FUNDS
H.F. 2446

AN ACT to expand the allowable uses of state elderly services program funds to include elderly services approved by an area agency on aging.

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

Section 1. Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 5, section 1, subsection 5, unnumbered paragraph 2, is amended to read as follows:

All funds appropriated under this subsection shall be received and disbursed by the commission in accordance with sections 249B.15 through 249B.21, shall not be used for administrative purposes, and shall be used for citizens of Iowa over sixty-five years of age ~~for to increase the availability of chore, telephone reassurance, adult day care, and home repair services,~~ including the winterizing of homes, and ~~for~~ the construction of entrance ramps which meet the requirements of section 104A.4 and make residences accessible to the physically handicapped, and other elderly services. Funds appropriated under this subsection may be used for elderly services not specifically enumerated in this paragraph only if approved by an area agency on aging for provision of the services within the area. Funds appropriated under this subsection may be used to supplement federal funds under federal regulations, 45 CFR 1321.77, as amended by 45 Federal Register p. 21155 (March 31, 1980).

Sec. 2. Section 249B.16, Code 1981, is amended by adding the following new unnumbered paragraph: