

standing any provision of section 35A.13 to the contrary, there is appropriated from the veterans trust fund created in section 35A.13 to the department of veterans affairs for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For deposit in the Vietnam Conflict veterans bonus fund:
 \$ 500,000

Sec. 4. RETROACTIVE APPLICABILITY. The section of this Act amending section 422.7, is retroactively applicable to January 1, 2007, and is applicable for tax years beginning on and after that date.

Approved May 24, 2007

CHAPTER 177

2007 TAX AMNESTY PROGRAM

S.F. 580

AN ACT relating to a tax amnesty program, making appropriations, and including an effective date provision.

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

Section 1. TITLE. This Act may be cited as the "Iowa Tax Amnesty Act of 2007".

Sec. 2. DEFINITIONS. When used in this Act, unless the context otherwise requires:

1. "Department" means the department of revenue.
2. "Director" means the director of revenue.
3. "Taxpayer" means a person, a corporation, or other entity subject to any tax imposed by a law of this state, payable to this state, and administered by the department pursuant to chapters 422, 423, 423A, 423B, 423C, 423D, 423E, 424, 450, 450A, 450B, 451, 452A, 453A, and 453B.

Sec. 3. TAX AMNESTY PROGRAM.

1. The director shall establish a tax amnesty program. The tax amnesty program shall apply to taxpayers that have tax liabilities delinquent as of December 31, 2006, including tax due on returns not filed, tax liabilities owed to the department as of December 31, 2006, or tax liabilities not reported nor established but delinquent as of December 31, 2006.

2. The tax amnesty program shall be for a period from September 4, 2007, through October 31, 2007, for any tax liabilities described in subsection 1.

3. The tax amnesty program shall provide that upon written application by a taxpayer and payment in full by the taxpayer of amounts due from the taxpayer to this state for a tax covered by the tax amnesty program plus interest equal to fifty percent of the interest that is due, the department shall not seek to collect any other interest or penalties which may be applicable. The department shall not seek civil or criminal prosecution for a taxpayer for the period of time for which amnesty has been granted to the taxpayer. Failure to pay all tax liabilities due the state and delinquent as of December 31, 2006, shall invalidate the amnesty. Amnesty shall be granted for only the periods specified in the application and only if all amnesty conditions are satisfied by the taxpayer.

4. A taxpayer who participates in the tax amnesty program shall relinquish all administrative and judicial rights to challenge the imposition of the tax and its amount, except for adjustments made pursuant to a federal audit completed after the effective date of this Act.

5. Amnesty shall not be granted to a taxpayer who is the subject of an active criminal investigation or who is a party to a criminal proceeding that is pending in a district court, the court of appeals, or the supreme court of this state if such investigation or proceeding involves non-payment or fraud in relation to any state tax imposed by a law of this state.

6. The director shall prepare and make available tax amnesty application forms which contain requirements for approval of an application. The director may deny any application that is inconsistent with this Act.

7. In promoting and marketing the tax amnesty program, the director and the Iowa lottery shall collaborate in the use of television, print, and radio advertising.

Sec. 4. RULEMAKING. The provisions of this Act are exempt from the rulemaking process of chapter 17A, the Iowa administrative procedure Act.

Sec. 5. APPROPRIATION.

1. There is appropriated from the general fund of the state to the department of revenue for the fiscal period beginning July 1, 2006, and ending June 30, 2008, the sum of \$710,000, or so much thereof as necessary, to be used to administer this Act.

2. There is appropriated to the department of revenue for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the sum of \$150,000 for the purpose of increasing the auditing and enforcement activities of the department.

3. If new full-time equivalent positions are hired by the department as a result of the appropriation made in subsection 1 or 2, the department shall eliminate such full-time equivalent positions by June 30, 2008, and these full-time equivalent positions are not authorized for employment by the department after that date.

Sec. 6. REPORTING. The department shall report the gross revenue collected under each tax pursuant to the tax amnesty program as soon as practicable after the close of the amnesty period but prior to March 1, 2008.

Sec. 7. LEGISLATIVE INTENT. It is the intent of the general assembly in enacting the Iowa tax amnesty Act of 2007 that the general assembly and the state shall not conduct another tax amnesty program prior to January 1, 2025.

Sec. 8. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved May 24, 2007