

April 16, 1957.  
Sifting Committee.

House File 585  
By TAX REVISION COMMITTEE.

Passed House, Date 4-19 Passed Senate, Date.....  
Vote: Ayes 77 Nays 0 Vote: Ayes..... Nays.....  
Approved.....

## A BILL FOR

An Act to amend section four-hundred fifty point seven (450.7), Code 1954, relating to the limitation of the inheritance tax lien where the decedent died on or before the fourth day of July 1941 and exceptions thereto.

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

- 1 Section 1. Section four-hundred fifty point seven (450.07),
- 2 Code 1954, is hereby repealed and re-enacted to read as follows:
- 3 "The tax shall be and remain a legal charge against and a lien
- 4 upon such estate, and any and all the property thereof from the death
- 5 of the decedent owner until paid subject to the limitation that
- 6 inheritance taxes owing with respect to any passing of property
- 7 includable in the estates of deceased persons who died on or before
- 8 July 4, 1941 under any inheritance tax laws of this State shall no
- 9 longer be a lien against such property except to the extent such
- 10 taxes are attributable to remainder or deferred interests therein
- 11 which did not finally vest in possession on or before such date.
- 12 The filing in the office of the clerk of the receipt in full, or
- 13 certificate of nonliability, of the state tax commission or an order
- 14 of court specifically finding that the estate is exempt from tax
- 15 shall release said lien as to all property reported in the estate."

### EXPLANATION OF HOUSE FILE 585

This bill was prepared by the Tax Commission and relates to the lien of Iowa inheritance taxes prior to 1921. This bill would cancel the lien of Iowa inheritance tax accrued against the property of decedents who died prior to March 11, 1921, and would cancel that lien just as the lien for such taxes for the period March 11, 1921, to July 4, 1941, have heretofore been cancelled by acts of the General Assembly. This old lien brings in very little money and is off-set by administrative expense of collecting. This lien poses as a hidden threat to the purchasers of all real estate, farms, houses or business property, as an innocent purchaser may find today that there is inheritance tax to pay due to death of an owner prior to 1921.

