

Ways and Means 2/3

SENATE FILE 2093

Ways and Means
Van Gilst, Chairperson
Holtzman
Jenkins

FILED FEB 7 1978

SENATE FILE 2093

By KELLY

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the Iowa inheritance tax.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section four hundred fifty point three (450.3),
2 subsection five (5), Code 1977, is amended to read as follows:
3 5. Property which is held in joint tenancy by the decedent
4 and any other person or persons or any deposit in banks, or
5 other institution in their joint names and payable to either
6 or to the survivor, except such part as may be proven to have
7 belonged to the survivor; or any interest of a decedent in
8 property owned by a joint stock or other corporate body whereby
9 the survivor or survivors become beneficially entitled to
10 the decedent's interest upon the death of a shareholder.
11 ~~However, if such property is so held by the decedent and the~~
12 ~~surviving spouse as the only co-owners, one-half of such~~
13 ~~property is not subject to taxation under the provisions of~~
14 ~~this chapter, but if the surviving spouse proves that he or~~
15 ~~she contributed to acquisition of such property an amount,~~
16 ~~in money or other property, greater than one-half of the cost~~
17 ~~of the property held in joint tenancy, the portion of such~~
18 ~~property which is not subject to taxation under the provisions~~
19 ~~of this chapter shall be the proportion which the actual~~
20 ~~contribution by the surviving spouse is of the total~~
21 ~~contribution to acquisition of such property.~~ The tax imposed
22 upon the passing of property under the provisions of this
23 subsection shall apply to property held under all such
24 contracts or agreements whether made before or after the
25 taking effect of this chapter.

26 Sec. 2. Section four hundred fifty point nine (450.9),
27 subsection one (1), Code 1977, is amended to read as follows:
28 1. Surviving spouse, eighty thousand dollars plus property
29 equal in amount to the market value of one-half of the
30 decedent's net estate passing.

31 Sec. 3. This Act shall be effective January 1, 1979.

32 EXPLANATION

33 Section one of the bill strikes the treatment given joint
34 tenancy property held by spouses. This treatment is replaced
35 by the enlarged exemption granted spouses in section two of

1 the bill.
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