

FILED JAN 6 1979

SENATE FILE

9

By VAN GILST

Passed Senate, Date 2-14-79 (S. 447) Passed House, Date _____
Vote: Ayes 49 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to motor fuel tax credits.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SENATE FILE 9

S-3065

- 1 Amend Senate File 9 as follows:
- 2 1. Page 1, line 14, by striking the words "earnings
- 3 received" and inserting in lieu thereof the words
- 4 "the person's pro rata share of the earnings".

S-3065 FILED *Adopted 2/14 (S. 447)*
FEBRUARY 12, 1979

BY ROLF V. CRAFT
BASS VAN GILST

1 Section 1. Section four hundred twenty-two point eighty-
2 six (422.86), unnumbered paragraph one (1), Code 1979, is
3 amended to read as follows:

4 In lieu of the fuel tax refund provided in sections 324.17
5 to 324.19, each person or corporation subject to taxation
6 under divisions II or III of this chapter, except those persons
7 or corporations licensed under sections 324.4 or 324.36, may
8 elect to receive an income tax credit for tax years beginning
9 on or after January 1, 1975. The person or corporation which
10 elects to receive an income tax credit shall cancel its refund
11 permit obtained under section 324.18 within thirty days after
12 the first day of its tax year. For the purposes of this
13 section the term "person" includes a person claiming a tax
14 credit based upon earnings received from a partnership or
15 corporation which corporation or partnership as a business
16 entity is not subject to a tax under divisions two (II) or
17 three (III) of this chapter as a partnership or corporation.
18 When the election to receive an income tax credit has been
19 made, it remains effective for at least one tax year, and
20 for subsequent tax years unless a change is requested and
21 a new refund permit applied for within thirty days after the
22 first day of the person's or corporation's tax year. The
23 income tax credit shall be the amount of the Iowa fuel tax
24 paid on fuel purchased by the person or corporation and used
25 as follows:

26 Sec. 2. This Act is effective January first following
27 its enactment for income tax credits claimed in tax returns
28 filed subsequent to January first following its enactment.

29 EXPLANATION

30 This bill clarifies that individuals who are members of
31 partnerships or subchapter S corporations may use the income
32 tax credit mechanism in lieu of application for quarterly
33 refunds for motor fuel tax paid.

34 The bill would be effective January first following its
35 enactment for all returns filed after January first.

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2 six (422.86), unnumbered paragraph one (1), Code 1979, is
3 amended to read as follows:

4 In lieu of the fuel tax refund provided in sections 324.17
5 to 324.19, each person or corporation subject to taxation
6 under divisions II or III of this chapter, except those persons
7 or corporations licensed under sections 324.4 or 324.36, may
8 elect to receive an income tax credit for tax years beginning
9 on or after January 1, 1975. The person or corporation which
10 elects to receive an income tax credit shall cancel its refund
11 permit obtained under section 324.16 within thirty days after
12 the first day of its tax year. For the purposes of this
13 section the term "person" includes a person claiming a tax
14 credit based upon the person's pro rata share of the earnings
15 from a partnership or corporation which corporation or
16 partnership as a business entity is not subject to a tax under
17 divisions two (II) or three (III) of this chapter as a
18 partnership or corporation. When the election to receive an
19 income tax credit has been made, it remains effective for
20 at least one tax year, and for subsequent tax years unless
21 a change is requested and a new refund permit applied for
22 within thirty days after the first day of the person's or
23 corporation's tax year. The income tax credit shall be the
24 amount of the Iowa fuel tax paid on fuel purchased by the
25 person or corporation and used as follows:

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27 its enactment for income tax credits claimed in tax returns
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31 partnerships or subchapter S corporations may use the income
32 tax credit mechanism in lieu of application for quarterly
33 refunds for motor fuel tax paid.

34 The bill would be effective January first following its
35 enactment for all returns filed after January first.

SENATE FILE 9

H-4233

1 Amend Senate File 9, as amended, passed, and re-
2 printed by the Senate, as follows:
3 1. Page 1, lines 1 and 2, by striking the word
4 and figure "eighty-six (422.86)" and inserting in
5 lieu thereof the words and figure "one hundred ten
6 (422.110)".

H-4233 FILED *Adopted 5/3* BY COMMITTEE ON WAYS AND MEANS
MAY 2, 1979 *(p. 2655)* WEST, Chairperson

HOUSE AMENDMENT TO SENATE FILE 9

S-3713

1 Amend Senate File 9, as amended, passed, and re-
2 printed by the Senate, as follows:
3 1. Page 1, lines 1 and 2, by striking the word
4 and figure "eighty-six (422.86)" and inserting in
5 lieu thereof the words and figure "one hundred ten
6 (422.110)".

S-3713 FILED
MAY 7, 1979

RECEIVED FROM THE HOUSE
Senate concurred 5/8 (p. 1576)

corporation's tax year. The income tax credit shall be the amount of the Iowa fuel tax paid on fuel purchased by the person or corporation and used as follows:

Sec. 2. This Act is effective January first following its enactment for income tax credits claimed in tax returns filed subsequent to January first following its enactment.

SENATE FILE 9

AN ACT
RELATING TO MOTOR FUEL TAX CREDITS.

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

Section 1. Section four hundred twenty-two point one hundred ten (422.110), unnumbered paragraph one (1), Code 1979, is amended to read as follows:

In lieu of the fuel tax refund provided in sections 324.17 to 324.19, each person or corporation subject to taxation under divisions II or III of this chapter, except those persons or corporations licensed under sections 324.4 or 324.36, may elect to receive an income tax credit for tax years beginning on or after January 1, 1975. The person or corporation which elects to receive an income tax credit shall cancel its refund permit obtained under section 324.18 within thirty days after the first day of its tax year. For the purposes of this section the term "person" includes a person claiming a tax credit based upon the person's pro rata share of the earnings from a partnership or corporation which corporation or partnership as a business entity is not subject to a tax under divisions two (II) or three (III) of this chapter as a partnership or corporation. When the election to receive an income tax credit has been made, it remains effective for at least one tax year, and for subsequent tax years unless a change is requested and a new refund permit applied for within thirty days after the first day of the person's or

TERRY E. BRANSTAD
President of the Senate

FLOYD H. MILLEN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 9, Sixty-eighth General Assembly.

FRANK J. STORK
Secretary of the Senate

Approved June 1, 1979

ROBERT D. RAY
Governor

S.F. 9