

SENATE FILE 2024  
BY RITTMER

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the rate of tax applicable to specified  
2 beneficiaries under the state inheritance tax and providing an  
3 effective and applicability date provision.

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

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S.F. 2024

1 Section 1. Section 450.10, subsection 1, Code 1995, is  
2 amended to read as follows:

3 1. When the property, interest, or income passes to the  
4 father or mother, or to a child or lineal descendant of the  
5 decedent, grantor, donor, or vendor, including a legally  
6 adopted child or biological child entitled to inherit under  
7 the laws of this state, the tax imposed shall be on the  
8 individual share so passing in excess of the exemptions  
9 allowed as follows:

10 One percent of the first five twelve thousand five hundred  
11 dollars.

12 Two percent of any amount in excess of five twelve thousand  
13 five hundred dollars and up to twelve fifty thousand five  
14 hundred dollars.

15 Three percent on any amount in excess of twelve fifty  
16 thousand five-hundred dollars and up to twenty-five one  
17 hundred thousand dollars.

18 Four percent on any-amount all sums in excess of twenty-  
19 five one hundred thousand dollars and-up-to-fifty-thousand  
20 dollars.

21 ~~Five-percent-on-any-amount-in-excess-of-fifty-thousand~~  
22 ~~dollars-and-up-to-seventy-five-thousand-dollars-~~

23 ~~Six-percent-on-any-amount-in-excess-of-seventy-five~~  
24 ~~thousand-dollars-and-up-to-one-hundred-thousand-dollars-~~

25 ~~Seven-percent-on-any-amount-in-excess-of-one-hundred~~  
26 ~~thousand-dollars-and-up-to-one-hundred-fifty-thousand-dollars-~~

27 ~~Eight-percent-on-all-sums-in-excess-of-one-hundred-fifty~~  
28 ~~thousand-dollars-~~

29 Sec. 2. This Act takes effect July 1 following enactment  
30 and applies to the estates of decedents dying on or after that  
31 date.

32 EXPLANATION

33 The bill reduces the inheritance tax on the individual  
34 shares of fathers, mothers, children, and lineal descendants  
35 of decedents dying on or after the effective date of the bill.

1 The bill reduces the present eight bracket schedule to four  
2 brackets with the first bracket changed from one percent on  
3 the first \$5,000 to one percent on the first \$12,500 and the  
4 last bracket changed from eight percent on all sums in excess  
5 of \$150,000 to four percent on all sums in excess of \$100,000.

6 The bill takes effect July 1 following enactment and  
7 applies to estates of decedents dying on or after that date.

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