

701—600.1(422) Definitions.

600.1(1) When the word “*department*” appears herein, it refers to and is synonymous with the “Iowa Department of Revenue”; the word “*director*” is the “Director of Revenue” or the director’s authorized assistants and employees; the word “*tax*” is the “franchise tax on financial institutions”; and the word “*return*” is the “franchise tax return.”

The administration of the franchise tax is a responsibility of the department. The department is charged with the administration of the franchise tax, subject always to the rules, regulations and direction of the director.

600.1(2) Effective June 1, 1989, the term “financial institution” as used in division V of Iowa Code chapter 422 and in 701—Chapters 600 to 604 includes an Iowa chartered bank, a state bank chartered under the laws of any other state, a nationally chartered bank, a trust company, a federally chartered savings and loan association, a non-Iowa chartered savings bank, a financial institution chartered by the Federal Home Loan Bank Board, a non-Iowa chartered savings and loan association, an association incorporated or authorized to do business under Iowa Code chapter 534 or a production credit association.

Effective July 1, 2012, the term “financial institution” as used in division V of Iowa Code chapter 422 and in 701—Chapters 600 to 604 includes an Iowa chartered bank, a state bank chartered under the laws of any other state, a nationally chartered bank, a trust company, a federally chartered savings and loan association, a non-Iowa chartered savings bank, a financial institution chartered by the Federal Home Loan Bank Board, a non-Iowa chartered savings and loan association or a production credit association.

Unincorporated privately held financial institutions are exempt from the franchise tax filing requirements.

600.1(3) The term “*Internal Revenue Code*” means the Internal Revenue Code of 1954 prior to the date of its redesignation as the Internal Revenue Code of 1986 or the Internal Revenue Code of 1986, whichever is applicable.

This rule is intended to implement Iowa Code section 422.61 as amended by 2012 Iowa Acts, Senate File 2202.

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