

**701—38.14 (422) Information returns for reporting income payments to the department of revenue.** Effective January 1, 1993, every person, every corporation, or agent of a person or corporation, lessees or mortgagors of real or personal property, fiduciaries, employers, and all officers and employees of the state or of any political subdivision of the state, having control, receipt, custody, or disposal of any of the income items described in subrule 38.14(1), shall file information returns with the department of revenue by the last day of February following the end of the year in which the payments were made. For purposes of this rule, “every person” is every individual who is a resident of this state. For purposes of this rule, “every corporation” includes all corporations that have a place of business in this state.

**38.14(1) *Incomes to be included in information returns.*** The entities described in rule 701—38.14(422) are required to file information returns to the department of revenue on income payments of interest (other than interest coupons payable to the bearer), rents, salaries, wages, premiums, annuities, compensation, remunerations, emoluments, unemployment compensation, royalties, patronage dividends, or other fixed or determinable annual or periodic gains, profits, and income to the extent that the amount of income is great enough so that an information return on the income is required to be filed with the Internal Revenue Service (IRS) under provisions of the Internal Revenue Code. However, no reporting is required for payments of deferred compensation, pensions, and annuities to nonresidents of Iowa. In addition, no reporting is required for any type of income payment where information on the income payment is available to the department from the Internal Revenue Service.

**38.14(2) *Information on income payments available from the Internal Revenue Service.*** The department can obtain information from the Internal Revenue Service on many income payments made to individuals in the tax year. The following is a list of federal reporting forms and the types of information available on those forms from the Internal Revenue Service for residents of Iowa:

*a.* 1065 K-1.

1. Dividends.
2. Interest.
3. Tax withheld.
4. Royalties.
5. Ordinary income or (loss).
6. Real estate income or (loss).
7. Other rental income or (loss).
8. Other portfolio income or (loss).
9. Guaranteed payments.

*b.* K-1 1041.

1. Dividends.
2. Interest.
3. Other taxable income or (loss).
4. Tax withheld.

*c.* K-1 1120-S.

1. Dividends.
2. Interest.
3. Tax withheld.
4. Royalties.
5. Ordinary income.
6. Real estate.
7. Other rental.
8. Other portfolio.

*d.* 1099-S.

1. Real estate sales.

*e.* 1099-B.

1. Aggregate profit and loss.
2. Realized profit and loss.

*f.* 1098.

1. Mortgage interest.

*g.* 1099-G.

1. Tax withheld.
2. Taxable grant.
3. Unemployment compensation.
4. Agricultural subsidies.

*h.* 1099-DIV.

1. Dividends.
2. Tax withheld.
3. Capital gains.
4. Cash liquid distribution.
5. Noncash liquid distribution.
6. Investment expense.
7. Ordinary dividends.

*i.* 1099-INT.

1. Interest.
2. Tax withheld.
3. Savings bonds.
4. Interest forfeiture.
5. Tax-exempt interest.

This rule is intended to implement Iowa Code section 422.15.

[ARC 7761B, IAB 5/6/09, effective 6/10/09]