

701—700.1(422) Administration.

700.1(1) Definitions. For purposes of this chapter, words and phrases have the same meaning as defined in Iowa Code sections 422.3 and 422.4. In addition, as used in this chapter, the following definitions apply:

“*Gross income*” includes any and all income prior to any deductions as set forth on the Iowa fiduciary return of income.

“*Personal representative*” means the executor, administrator, or trustee of a decedent’s estate.

“*Tax*” means the income tax imposed on estates and trusts under Iowa Code section 422.6.

“*Taxable income*” includes the income of the estate or trust and also includes distributions to beneficiaries as set forth on the Iowa fiduciary return of income.

“*Taxpayer*” includes the executor, administrator, or other personal representative of a decedent’s estate required to file a return for the estate and the decedent under Iowa Code sections 422.14 and 422.23. “Taxpayer” may also include the trustee of a trust subject to tax under 26 U.S.C. Section 641 and required to file a return under 26 U.S.C. Section 6012(b), as well as the trustee of the bankruptcy estate of an individual under Chapter 7 or 11 of Title 11 of the United States Code.

700.1(2) Delegation of authority. The director delegates to the division administrator or a bureau chief within the compliance section division, subject always to the supervision and review of the director, the authority to issue the certificate of acquittance authorized by Iowa Code section 422.27.

700.1(3) Authority of federal court cases, regulations and rulings. The director has the responsibility to enforce and interpret the law relating to the taxes the department is obligated to administer, including those portions of the Internal Revenue Code that impact Iowa taxable income under Iowa Code section 422.4(15).

a. Federal regulations may be interpreted by Iowa courts for state tax purposes.

b. While federal court cases, regulations and rulings interpreting the Internal Revenue Code will be accorded every consideration, the department has the right to make its own interpretation of the Internal Revenue Code as to what constitutes taxable income for Iowa tax purposes, consistent with Iowa statutes and court decisions. Rule 701—303.2(422) provides more information.

700.1(4) Publication references.

a. References to the following Internal Revenue Code Sections are to those in effect as of December 31, 2025: 26 U.S.C. Sections 61, 164, 170, 213, 611, 641, 642, 671 through 679, 691, 1011, 1014, 1223, 2032, 2032A, 2053, 2054, and 6012.

b. References to the following federal regulation sections are to those in effect as of December 31, 2025: 26 CFR Sections 1.61-9, 1.167, 1.170A-10, 1.1014-1, and 1.1223-1.

This rule is intended to implement Iowa Code sections 17A.6, 421.2, 421.4, 422.6, 422.23, 422.25, 422.26, 422.27, and 422.73.

[ARC 0403D, IAB 6/24/26, effective 7/29/26]