

House Amendment 8026

PAG LIN

1 1 Amend House File 2351 as follows:
1 2 #1. Page 26, by inserting after line 2, the
1 3 following:
1 4 <Sec. _____. Section 422.7, Code Supplement 2005, is
1 5 amended by adding the following new subsection:
1 6 NEW SUBSECTION. 45. Subtract, to the extent
1 7 included, the amount of gain realized by the taxpayer
1 8 as a result of the involuntary conversion of property
1 9 due to eminent domain or the threat of eminent domain.
1 10 However, if the total amount of such realized gain is
1 11 not recognized because the converted property is
1 12 replaced with property that is similar to, or related
1 13 in use to, the converted property, the amount of such
1 14 realized gain shall not be subtracted under this
1 15 subsection until the remaining realized gain is
1 16 subject to federal taxation or until the time of
1 17 disposition of the replacement property as provided
1 18 under rules of the director. The subtraction allowed
1 19 under this subsection shall not alter the basis as
1 20 established for federal tax purposes of any property
1 21 owned by the taxpayer.
1 22 Sec. _____. Section 422.35, Code Supplement 2005, is
1 23 amended by adding the following new subsection:
1 24 NEW SUBSECTION. 22. Subtract, to the extent
1 25 included, the amount of gain realized by the taxpayer
1 26 as a result of the involuntary conversion of property
1 27 due to eminent domain or the threat of eminent domain.
1 28 However, if the total amount of such realized gain is
1 29 not recognized because the converted property is
1 30 replaced with property that is similar to, or related
1 31 in use to, the converted property, the amount of such
1 32 realized gain shall not be subtracted under this
1 33 subsection until the remaining realized gain is
1 34 subject to federal taxation or until the time of
1 35 disposition of the replacement property as provided
1 36 under rules of the director. The subtraction allowed
1 37 under this subsection shall not alter the basis as
1 38 established for federal tax purposes of any property
1 39 owned by the taxpayer.>
1 40 #2. Page 28, by inserting after line 16, the
1 41 following:
1 42 <_____. The sections of this Act enacting section
1 43 422.7, subsection 45, and section 422.35, subsection
1 44 22, apply retroactively to January 1, 2006, for tax
1 45 years beginning on or after that date.>
1 46 #3. By renumbering as necessary.
1 47
1 48
1 49
1 50

DAVITT of Warren
2 1 HF 2351.302 81
2 2 sc/cf/3561