



HF 242 – Political Checkoff on Income Tax Return, Repeal (LSB1249HV)
Analyst: Jeff Robinson (Phone: (515)281-4614) (jeff.robinson@legis.iowa.gov)
Fiscal Note Version – New

Description

House File 242 eliminates the optional Iowa Election Campaign Fund Income Tax Checkoff from the Iowa income tax form and eliminates the Iowa Election Campaign Fund.

The Bill is effective for tax year 2017 and after. The Bill repeals the Iowa Election Campaign Fund effective July 1, 2018.

Background

Under current law, each taxpayer filing an individual Iowa income tax return may assign \$1.50 of the taxpayer's tax to a qualified political party or to the Iowa Election Campaign Fund. This checkoff does not increase the amount of tax owed or decrease refunds of the filer.

When taxpayers choose to participate in the checkoff, funds are transferred from the General Fund to either the selected political party or the Iowa Election Campaign Fund. Therefore, eliminating the option to contribute to the Iowa Election Campaign Fund will increase net General Fund revenue by the amount of current-law assumed contributions.

Fiscal Impact

Eliminating the option for taxpayers to contribute to the Iowa Election Campaign Fund will increase annual net General Fund revenue by an estimated \$65,000, beginning FY 2018.

Source

Iowa Department of Revenue

/s/ Holly M. Lyons
February 20, 2017

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
