

# Senate File 2303

PAG LIN

SENATE FILE 2303

1 1  
1 2  
1 3 AN ACT  
1 4 PROVIDING FOR AN INDIVIDUAL INCOME TAX DEDUCTION FOR CONTRI=  
1 5 BUTIONS MADE TO A QUALIFIED TUITION PROGRAM ESTABLISHED BY  
1 6 CERTAIN EDUCATIONAL INSTITUTIONS AND INCLUDING EFFECTIVE  
1 7 AND RETROACTIVE APPLICABILITY DATE PROVISIONS.

1 8  
1 9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 10  
1 11 Section 1. Section 422.7, Code Supplement 2003, is amended  
1 12 by adding the following new subsection:

1 13 NEW SUBSECTION. 32A. a. Subtract contributions made by  
1 14 the taxpayer as a participant in a qualified tuition program,  
1 15 as defined in section 529(b) of the Internal Revenue Code,  
1 16 established by one or more eligible educational institutions.  
1 17 The maximum amount that may be subtracted under this paragraph  
1 18 equals the maximum amount that is deductible under section  
1 19 12D.3, subsection 1, paragraph "a", for contributions made to  
1 20 the Iowa educational savings plan trust minus any amount  
1 21 subtracted pursuant to subsection 32, paragraph "a", of this  
1 22 section.

1 23 b. Add the amount of cash refunds or withdrawals refunded  
1 24 to the taxpayer as a participant in a qualified tuition  
1 25 program that is not used to satisfy qualified higher education  
1 26 expenses, as defined in section 529(e) of the Internal Revenue  
1 27 Code, to the extent previously deducted under paragraph "a".

1 28 Sec. 2. EFFECTIVE AND RETROACTIVE DATE. This Act, being  
1 29 deemed of immediate importance, takes effect upon enactment  
1 30 and applies retroactively to January 1, 2004, for tax years  
1 31 beginning on or after that date.

1 32  
1 33  
1 34  
1 35 \_\_\_\_\_  
2 1 JEFFREY M. LAMBERTI  
2 2 President of the Senate

2 3  
2 4  
2 5 \_\_\_\_\_  
2 6 CHRISTOPHER C. RANTS  
2 7 Speaker of the House

2 8 I hereby certify that this bill originated in the Senate and  
2 9 is known as Senate File 2303, Eightieth General Assembly.

2 10  
2 11  
2 12  
2 13 \_\_\_\_\_  
2 14 MICHAEL E. MARSHALL  
2 15 Secretary of the Senate

2 16 Approved \_\_\_\_\_, 2004

2 17  
2 18 \_\_\_\_\_  
2 19 THOMAS J. VILSACK  
2 20 Governor