

January 22, 1963.

Passed on File.

*Tax Revision 1/22 Jan 1/23*

Passed Senate, Date *1-23-63*

Passed House, Date *1-24-63*

Vote: Ayes *48* Nays *0* Vote: Ayes *104* Nays *1*

Approved *To Bureau 1-28*  
*January 29, 1963*

Senate File 30

By ELIJAH.

## A BILL FOR

An Act to amend chapter four hundred twenty-two (422), Code 1962, relating to state income taxes, to provide for the adoption of amendments to the Internal Revenue Code of 1954.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 Section 1. Section four hundred twenty-two point four  
2 (422.4), Code 1962, is hereby amended by striking the figures  
3 "1960" in line four (4) of subsection fourteen (14) thereof  
4 and inserting in lieu thereof the following: "1962".

1 Sec. 2. Section four hundred twenty-two point seven (422.7)  
2 is amended by inserting at the end of such section the following  
3 subsections:

4 "5. Subtract an amount equal to the aggregate credits  
5 against federal income tax to the extent such credits reduce  
6 the basis of depreciable property for depreciation purposes.

7 "6. Add an amount equal to the aggregate decrease of  
8 credits against federal income tax to the extent such decrease  
9 of credits increases the basis of depreciable property for  
10 purposes of depreciation or computing gain or loss on disposition.

11 "7. Add an amount equal to the deduction taken on  
12 federal income tax return for 'unused investment credit'."

1 Sec. 3. Section four hundred twenty-two point thirty-two  
2 (422.32), Code 1962, is hereby amended by striking the figures  
3 "1960" in line three (3) of subsection four (4) thereof and  
4 inserting in lieu thereof the following: "1962".

1     Sec. 4. Section four hundred twenty-two point thirty-five  
2     (422.35), Code 1962, is amended by adding thereto the following  
3     subsections:

4     “5. Subtract an amount equal to the aggregate credits  
5     against federal income tax to the extent such credits reduce  
6     the basis of depreciable property for depreciation purposes.

7     “6. Add an amount equal to the aggregate decrease of  
8     credits against federal income tax to the extent such decrease  
9     of credits increases the basis of depreciable property for  
10    purposes of depreciation or computing gain or loss on disposition.

11    “7. Add an amount equal to the deduction taken on federal  
12    income tax return for ‘unused investment credit.’”

1     Sec. 5. The provisions of this Act shall have the same  
2     retroactive effect as the amendments to the Internal Revenue  
3     Code of 1954 adopted hereby have for federal income tax purposes.

1     Sec. 6. If any provisions of this Act or the application  
2     of such provision to any person or circumstance shall be held  
3     invalid, the remainder of this Act or the application of such  
4     provision to persons or circumstances other than those to which  
5     it is held invalid shall not be affected thereby.

1     Sec. 7. This Act being deemed of immediate importance  
2     shall be in force and effect immediately upon its passage and  
3     publication in The Muscatine Journal, a newspaper  
4     published at Muscatine, Iowa, and in The Tipton  
5     Conservative, a newspaper published at Tipton,  
6     Iowa.

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1     Amend Senate File 30, section 2, line 1, by adding  
2     after “(422.7)” the following: “, Code 1962.”

Filed and adopted  
January 23, 1963.

By ELLVAH.