

February 3, 1970

SENATE FILE 1182

Passed on File

See Com on Reg. News 2-11

By COMMITTEE ON WAYS AND MEANS

Passed Senate, Date *2-4-70* Passed House, Date *2-16-70*

Vote: Ayes *57* Nays *0* Vote: Ayes *106* Nays *0*

Approved *2-20-70*

A BILL FOR

1 An Act relating to state personal net income tax and state
2 business tax on corporations.

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

4 Section 1. Section four hundred twenty-two point four
5 (422.4), subsection seventeen (17), Code 1966, as amended by
6 chapter three hundred forty-five (345), section one (1), Acts
7 of the Sixty-second General Assembly, is hereby amended by
8 striking lines one (1) through four (4), inclusive, and in-
9 serting in lieu thereof the following:

10 "Internal Revenue Code of 1954' means the Internal Revenue
11 Code of 1954, as amended to and including January 1, 1970."

12 Sec. 2. Section four hundred twenty-two point thirty-two
13 (422.32), subsection four (4), Code 1966, as amended by chapter
14 three hundred forty-five (345), section two (2), Acts of the
15 Sixty-second General Assembly, is hereby amended by striking
16 lines one (1) through three (3), inclusive, and inserting in
17 lieu thereof the following:

18 "Internal Revenue Code of 1954' means the Internal Revenue
19 Code of 1954, as amended to and including January 1, 1970."

20 Sec. 3. This Act being deemed of immediate importance shall
21 be in full force and effect from and after its final approval
22 and publication in the Waterloo Daily Courier, a newspaper
23 published at Waterloo, Iowa, and the Eldora Herald-Ledger, a
24 newspaper published at Eldora, Iowa.

*Print
3/5/70*

EXPLANATION

The Iowa individual and corporation income tax is based upon the ad-justed gross income as determined under the Internal Revenue Code of

1954, as amended. Therefore, it is necessary to update the Iowa income tax laws in order to properly reflect any changes in adjusted gross income. This bill will allow the Iowa income tax laws to properly reflect the amendments to the Internal Revenue Code which were enacted by the Congress and signed by the President. These amendments are known as the "Tax Reform Act of 1969", H. R. 13270.

FISCAL NOTE
SENATE FILE 1182

Date prepared February 12, 1970

Requested by Representative Baker.

Prepared in regard to Senate File 1182, a bill for an act relating to state personal net income tax and state business tax on corporations.

Following is the fiscal effect in dollars of the legislative proposal as required by House Rule 48:

Information received from W. H. Forst, Director, Department of Revenue.

The department has not completed analyzing the complete impact of adopting the 1970 Internal Revenue Code. However, our preliminary estimate is that an additional 1.5 to 2 million dollars would accrue to the state during the current biannual period from increased Iowa individual income tax.

Filed
February 12, 1970

GERRY D. RANKIN
Legislative Fiscal Director