

MAY 8 1975

WAYS & MEANS CALENDAR

HOUSE FILE 881

By COMMITTEE ON WAYS AND MEANS

*Sub. for S.F. 543*

Passed House, Date 5-13-75 (1732) Passed Senate, Date 5-28-75 (1608)

Vote: Ayes 85 Nays 2 Vote: Ayes 46 Nays 1

Approved 5-6-75

*Motion to reconsider filed 5-13 (1732).  
" Withdrawn 5-21 (1869)*

## A BILL FOR

1 An Act relating to the taxation of individual retirement  
2 annuity premiums.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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### HOUSE FILE 881 FISCAL NOTE

Date prepared: May 14, 1975

Requested by: Senator Curtis

Prepared in regard to House File 881, An Act relating to taxation of individual retirement annuity premiums. Following is the fiscal effect in dollars of the legislative proposal as required by Joint Rule 16.

No estimate available.

Currently there is no data available on which to base an accurate estimate.

Source: Insurance Department

FILED  
MAY 21, 1975

GERRY D. RANKIN  
LEGISLATIVE FISCAL DIRECTOR

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1 Section 1. Section four hundred thirty-two point one  
2 (432.1), subsection one (1), unnumbered paragraph two (2),  
3 Code 1975, is amended to read as follows:

4 In determining the gross amount of premiums to be taxed  
5 hereunder, there shall be excluded all premiums received from  
6 policies or contracts issued in connection with a pension,  
7 annuity ~~or~~ , profit sharing plan or individual retirement  
8 annuity qualified or exempt under sections 401, 403, 404,  
9 four hundred eight (408), or 501(a) of the federal Internal  
10 Revenue Code as now or hereafter amended and all premiums  
11 returned to policyholders or annuitants during the preceeding  
12 calendar year, except cash surrender values, all dividends  
13 that, during said year, have been paid in cash or applied  
14 in reduction of premiums or left to accumulate to the credit  
15 of policyholders or annuitants.

16 EXPLANATION

17 This bill extends the present exemption from premium tax  
18 on qualified retirement plans to premiums received to purchase  
19 individual retirement annuities, the exempt retirement plan  
20 added to the Internal Revenue Code in 1974.

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FISCAL NOTE  
HOUSE FILE 881

Date Prepared May 14, 1975

Requested by House Ways and Means Committee  
Prepared in regard to H.F. 881, Taxation of individual retirement  
annuity premiums. Following is the fiscal effect in dollars of the  
legislative proposal as required by Joint Rule 16:

No estimate available.

Currently there is no data available on which to base an  
accurate estimate.

Source: Insurance Department

FILED  
MAY 19, 1975

GERRY D. RANKIN  
Legislative Fiscal Director

HOUSE FILE 881

AN ACT

RELATING TO THE TAXATION OF INDIVIDUAL RETIREMENT ANNUITY  
PREMIUMS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section four hundred thirty-two point one (432.1), subsection one (1), unnumbered paragraph two (2), Code 1975, is amended to read as follows:

In determining the gross amount of premiums to be taxed hereunder, there shall be excluded all premiums received from policies or contracts issued in connection with a pension, annuity ~~or~~ profit sharing plan or individual retirement annuity qualified or exempt under sections 401, 403, 408, four hundred eight (408), or 501(a) of the federal Internal Revenue Code as now or hereafter amended and all premiums returned to policyholders or annuitants during the preceding calendar year, except cash surrender values, all dividends that, during said year, have been paid in cash or applied

in reduction of premiums or left to accumulate to the credit of policyholders or annuitants.

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DALE M. COCHRAN  
Speaker of the House

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ARTHUR A. NEU  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 881, Sixty-sixth General Assembly.

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DAVID L. WRAY  
Chief Clerk of the House

Approved 6/6, 1975

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ROBERT D. RAY  
Governor