

Reprinted 1/9

HOUSE FILE 2511

MAR 6 1980

By COMMITTEE ON WAYS AND MEANS

WAYS & MEANS CALENDAR

(Formerly House File 2121)

Passed House, Date 4/2/80 (p. 1380) Passed Senate, Date _____

Vote: Ayes 79 Nays 12 Vote: Ayes _____ Nays _____

Approved May 31, 1980

A BILL FOR

1 An Act to allow an income tax deduction for certain expenses
2 incurred in performing voluntary services.

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

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2511

1 Section 1. Section four hundred twenty-two point nine
 2 (422.9), subsection two (2), Code 1979, as the section is
 3 amended by Acts of the Sixty-eighth General Assembly, 1979
 4 Session, chapter ninety-three (93), section five (5), is
 5 amended by adding the following new lettered paragraph:
 6 NEW LETTERED PARAGRAPH. Add an additional deduction for
 7 mileage incurred by the taxpayer in voluntary work for a
 8 charitable organization consisting of the difference between
 9 the state employee mileage reimbursement and the amount
 10 deductible for federal income tax purposes. The amount may
 11 include necessary parking fees and mileage at the rate provided
 12 for reimbursement to state employees and shall be proven by
 13 the keeping of a contemporaneous diary by the person throughout
 14 the period of the voluntary work in the tax year.

15 Sec. 2. This Act takes effect January first following
 16 enactment for tax years beginning on or after January first
 17 following enactment.

18 EXPLANATION

19 The bill provides a deduction, for state individual income
 20 tax purposes, of additional expenses incurred in performing
 21 voluntary work for a charitable organization which are not
 22 allowed as a deduction for federal income tax purposes.

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HOUSE FILE 2511
FISCAL NOTE

REQUESTED BY SENATOR CRAFT, APRIL 4, 1980

In compliance with a written request there is hereby submitted a Fiscal Note for House File 2511 pursuant to Joint Rule 16.

House File 2511 allows for an itemized deduction for certain expenses including the use of a motor vehicle in performing voluntary charitable services. The amount of the deduction may include mileage at the rate provided for state employees, currently 18 cents per mile. Presently, the allowable deduction is 8 cents per mile, and the same as for federal tax purposes. If the federal itemized deduction is used on an Iowa tax return as currently authorized in section 422.9 subsection 2 of the 1979 Code, the individual may, in addition, claim the difference between the state employee mileage rate and the federal rate.

Due to the lack of data about the extent of the use of this specific deduction, no estimate of the resulting reduction in tax revenues can be made.

RECEIVED BY THE SECRETARY OF THE SENATE, APRIL 8, 1980

FILED:
APRIL 10, 1980

BY GERRY RANKIN, DIRECTOR
LEGISLATIVE FISCAL BUREAU

HOUSE FILE 2511

H-5405

- 1 Amend House File 2511 as follows:
- 2 1. Page 1, by striking lines 8 through 12, and
- 3 by inserting in lieu thereof the following:
- 4 "charitable organization consisting of the excess
- 5 of the state employee mileage reimbursement over the
- 6 amount deductible for federal income tax purposes.
- 7 The deduction shall be proven by".

H-5405 FILED
MARCH 7, 1980

Adopted 4/5 (p. 1372)

BY CONLON of Muscatine
THOMPSON of Polk

HOUSE FILE 2511

H-5880

- 1 Amend House File 2511 as follows:
- 2 1. Page 1, line 5, by striking the word
- 3 "adding" and inserting in lieu thereof the words
- 4 "striking lettered paragraph c and inserting in
- 5 lieu thereof".

H-5880 FILED
APRIL 3, 1980

WITHDRAWN *(p. 1372)*

BY BRUNER of Story

HOUSE FILE 2511

H-5883

- 1 Amend House File 2511 as follows:
- 2 1. Page 1, by adding after line 14, the following
- 3 new lettered paragraph:
- 4 "NEW LETTERED PARAGRAPH. Add an additional
- 5 deduction by an Iowa taxpayer who is or has been a
- 6 hostage in Iran during a taxable year. The salary and
- 7 wages earned by the hostage during confinement shall
- 8 not be counted as taxable income."

H-5883 FILED
APRIL 3, 1980

NOT GERMANE, MOTION TO SUSPEND
RULES LOST *(p. 1372)*

BY DOYLE of Woodbury

HOUSE FILE 2511

H-5884

- 1 Amend House File 2511 as follows:
- 2 1. Page 1, line 1, by striking the word "nine" and
- 3 inserting in lieu thereof the word "twelve".
- 4 2. Page 1, by striking lines 2 through 6 and inserting
- 5 in lieu thereof the following: "(422.12) subsection one (1),
- 6 Code 1979, as the section is amended by Acts of the Sixty-
- 7 eighth General Assembly, 1979 Session, chapter ninety-
- 8 three (93), section six (6), is amended by adding the
- 9 following new lettered paragraph:
- 10 NEW LETTERED PARAGRAPH. For a single individual,
- 11 married person filing a separate return, or a husband
- 12 and wife filing a joint return, ten percent of allowable
- 13 mileage expenses, not to exceed ten dollars. Allowable
- 14 mileage expenses are expenses for"

H-5884 FILED
APRIL 3, 1980

NOT GERMANE, MOTION TO SUSPEND *(p. 1372)*

BY CONNORS of Polk

Senate Ways Means 4/9
Do Pass 4/17 (p. 1551)

HOUSE FILE 2511

By COMMITTEE ON WAYS AND MEANS

(As Amended and Passed by the House)

Passed House, Date 4/3/80 (p. 1380) Passed Senate, Date 4/21/80 (p. 1544)

Vote: Ayes 77 Nays 13 Vote: Ayes 41 Nays 6

Approved May 21, 1980

A BILL FOR

1 An Act to allow an income tax deduction for certain expenses
2 incurred in performing voluntary services.

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

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House Amendments _____

1 Section 1. Section four hundred twenty-two point nine
2 (422.9), subsection two (2), Code 1979, as the section is
3 amended by Acts of the Sixty-eighth General Assembly, 1979
4 Session, chapter ninety-three (93), section five (5), is
5 amended by adding the following new lettered paragraph:

6 NEW LETTERED PARAGRAPH. Add an additional deduction for
7 mileage incurred by the taxpayer in voluntary work for a
8 charitable organization consisting of the excess of the state
9 employee mileage reimbursement over the amount deductible
10 for federal income tax purposes. The deduction shall be
11 proven by the keeping of a contemporaneous diary by the person
12 throughout the period of the voluntary work in the tax year.

13 Sec. 2. This Act takes effect January first following
14 enactment for tax years beginning on or after January first
15 following enactment.

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Sec. 2. This Act takes effect January first following enactment for tax years beginning on or after January first following enactment.

HOUSE FILE 2511

AN ACT
TO ALLOW AN INCOME TAX DEDUCTION FOR CERTAIN EXPENSES
INCURRED IN PERFORMING VOLUNTARY SERVICES.

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

Section 1. Section four hundred twenty-two point nine (422.9), subsection two (2), Code 1979, as the section is amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter ninety-three (93), section five (5), is amended by adding the following new lettered paragraph:

NEW LETTERED PARAGRAPH. Add an additional deduction for mileage incurred by the taxpayer in voluntary work for a charitable organization consisting of the excess of the state employee mileage reimbursement over the amount deductible for federal income tax purposes. The deduction shall be proven by the keeping of a contemporaneous diary by the person throughout the period of the voluntary work in the tax year.

WILLIAM H. HARBOR
Speaker of the House

TERRY E. BRANSTAD
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2511, Sixty-eighth General Assembly.

BRUCE GRAHAM
Assistant Chief Clerk of the House

Approved May 21, 1980

ROBERT D. RAY
Governor

H.F. 2511