

4/30 Gen Ways & Means
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APR 21 1993

HOUSE FILE 666
BY COMMITTEE ON WAYS AND
MEANS

WAYS & MEANS CALENDAR

(SUCCESSOR TO HF 363)

Passed House, Date 4/30/93 (p. 1865) Passed Senate, Date 5/1/93
Vote: Ayes 99 Nays 0 Vote: Ayes 47 Nays 1
Approved May 11, 1993

A BILL FOR

1 An Act relating to the requirement for filing a state individual
2 income tax return and providing a retroactive applicability
3 date provision.

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

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HF 666

1 Section 1. Section 422.13, subsection 1, unnumbered
2 paragraph 1, Code 1993, is amended to read as follows:

3 A Except as provided in subsection 1A, a resident or
4 nonresident of this state shall make a return, signed in
5 accordance with forms and rules prescribed by the director, if
6 any of the following are applicable:

7 Sec. 2. Section 422.13, subsection 1, paragraphs b and c,
8 Code 1993, are amended to read as follows:

9 b. The individual is claimed as a dependent on another
10 person's return and has net income of three four thousand
11 dollars or more for the tax year from sources taxable under
12 this division.

13 c. However, if that part of the net income of a
14 nonresident which is allocated to Iowa pursuant to section
15 422.8, subsection 2 is less than five-hundred one thousand
16 dollars the nonresident is not required to make and sign a
17 return.

18 Sec. 3. Section 422.13, Code 1993, is amended by adding
19 the following new subsection:

20 NEW SUBSECTION. 1A. Notwithstanding any other provision
21 in this section, a resident of this state is not required to
22 make and file a return if the person's net income is equal to
23 or less than the appropriate dollar amount listed in section
24 422.5, subsection 2, upon which tax is not imposed. A
25 nonresident of this state is not required to make and file a
26 return if the person's total net income in section 422.5,
27 subsection 1, paragraph "j", is equal to or less than the
28 appropriate dollar amount provided in section 422.5,
29 subsection 2, upon which tax is not imposed. For purposes of
30 this subsection, the amount of a lump sum distribution subject
31 to separate federal tax shall be included in net income for
32 purposes of determining if a resident is required to file a
33 return and the portion of the lump sum distribution that is
34 allocable to Iowa is included in total net income for purposes
35 of determining if a nonresident is required to make and file a

1 return.

2 Sec. 4. This Act applies retroactively to January 1, 1993,
3 for tax years beginning on or after that date.

4 EXPLANATION

5 The bill provides for state individual income tax purposes
6 that a dependent must file a return if the dependent's net
7 income is \$4,000, existing law is \$3,000. A nonresident with
8 less than \$1,000 of net income allocated to Iowa is not
9 required to file a return, existing law is \$500.

10 The bill provides that notwithstanding any other provisions
11 an individual is not required to make and file a state
12 individual income tax return if the individual's net income is
13 such that no state income tax is imposed. These amounts are
14 \$13,500 or less for married persons filing jointly or
15 separately on a combined return, unmarried heads of household,
16 and surviving spouses, or \$9,000 for all other persons. For
17 purposes of determining such amounts, any lump sum
18 distribution of a pension received is to be included.

19 The bill applies retroactively to January 1, 1993, for tax
20 years beginning on or after that date.

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HOUSE FILE 666

S-3755

- 1 Amend House File 666, as amended by the House, as
2 follows:
- 3 1. Page 1, by inserting before line 1 the fol-
4 lowing:
5 "Section 200. Section 422.9, Code 1993, is amended
6 by adding the following new subsection:
7 NEW SUBSECTION. 6. In the case of a taxpayer
8 whose itemized deductions are reduced by section 68 of
9 the Internal Revenue Code, the amount of Iowa income
10 tax described in subsection 2, paragraph "a", to be
11 subtracted from the reduced deductions may be limited
12 in the ratio of the total Iowa income tax to the total
13 itemized deductions subject to reduction under section
14 68 of the Internal Revenue Code. Those itemized
15 deductions not subject to reduction shall not be
16 affected by this subsection. This subsection shall
17 not apply to any tax year beginning after December 31,
18 1995."
- 19 2. Page 2, by inserting after line 3 the
20 following:
21 "Sec. ____ . EFFECTIVE DATE. Section 200 of this
22 Act, being deemed of immediate importance, takes
23 effect upon enactment."
24 3. Title page, line 2, by inserting after the
25 word "and" the following: "to itemized deductions for
26 certain taxpayers, and".
27 4. Title page, line 3, by inserting after the
28 word "provision" the following: "and an effective
29 date".
30 5. By renumbering as necessary.

By JIM KERSTEN

S-3755 FILED MAY 1, 1993
WITHDRAWN

HOUSE FILE 666

AN ACT

RELATING TO THE REQUIREMENT FOR FILING A STATE INDIVIDUAL INCOME TAX RETURN AND PROVIDING A RETROACTIVE APPLICABILITY DATE PROVISION.

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

Section 1. Section 422.13, subsection 1, unnumbered paragraph 1, Code 1993, is amended to read as follows:

A Except as provided in subsection 1A, a resident or nonresident of this state shall make a return, signed in accordance with forms and rules prescribed by the director, if any of the following are applicable:

Sec. 2. Section 422.13, subsection 1, paragraphs b and c, Code 1993, are amended to read as follows:

b. The individual is claimed as a dependent on another person's return and has net income of three four thousand dollars or more for the tax year from sources taxable under this division.

c. However, if that part of the net income of a nonresident which is allocated to Iowa pursuant to section 422.8, subsection 2 is less than five-hundred one thousand dollars the nonresident is not required to make and sign a return.

Sec. 3. Section 422.13, Code 1993, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. Notwithstanding any other provision in this section, a resident of this state is not required to make and file a return if the person's net income is equal to or less than the appropriate dollar amount listed in section 422.5, subsection 2, upon which tax is not imposed. A nonresident of this state is not required to make and file a return if the person's total net income in section 422.5, subsection 1, paragraph "j", is equal to or less than the

appropriate dollar amount provided in section 422.5, subsection 2, upon which tax is not imposed. For purposes of this subsection, the amount of a lump sum distribution subject to separate federal tax shall be included in net income for purposes of determining if a resident is required to file a return and the portion of the lump sum distribution that is allocable to Iowa is included in total net income for purposes of determining if a nonresident is required to make and file a return.

Sec. 4. This Act applies retroactively to January 1, 1993, for tax years beginning on or after that date.

HAROLD VAN MAANEN
Speaker of the House

LEONARD L. HOSWELL
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 666, Seventy-fifth General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved *May 11*, 1993

TERRY E. BRANSTAD
Governor