

FEB 24 1998  
WAYS AND MEANS

HOUSE FILE 2422  
BY REYNOLDS-KNIGHT

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to an individual income tax credit for the costs  
2 of adding protective structures to tractors to prevent  
3 rollovers and providing effective and applicability date  
4 provisions.

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

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HF 2422

1 Section 1. NEW SECTION. 422.12A TRACTOR ROLLOVER  
2 PROTECTION CREDIT.

3 1. The taxes imposed under this division less the credits  
4 allowed under sections 422.12 and 422.12B shall be reduced by  
5 a credit equal to the cost of adding protective structures to  
6 prevent rollovers to a tractor which is used by a taxpayer  
7 filing a schedule F or equivalent schedule for the tax year.  
8 However, the amount of credit shall not exceed two hundred  
9 dollars. Any credit in excess of the tax liability or two  
10 hundred dollars, whichever is the lesser, shall be carried  
11 forward for up to four tax years or until depleted. However,  
12 not more than two hundred dollars may be taken as a credit in  
13 any subsequent tax year.

14 2. An individual may claim the tractor rollover protection  
15 tax credit allowed a partnership, limited liability company, S  
16 corporation, or estate or trust electing to have the income  
17 taxed directly to the individual. The amount claimed by the  
18 individual shall be based upon the pro rata share of the  
19 individual's earnings of the partnership, limited liability  
20 company, S corporation, or estate or trust.

21 Sec. 2. This Act, being deemed of immediate importance,  
22 takes effect upon enactment and applies retroactively to  
23 January 1, 1998, for tax years beginning on or after that  
24 date.

25 EXPLANATION

26 The bill provides an individual income tax credit for the  
27 cost of adding protective structures to prevent rollovers to a  
28 tractor. The amount of credit is limited to the lesser of the  
29 tax liability or \$200. Any excess credit may be carried  
30 forward for four tax years with the maximum amount of credit  
31 for each year of \$200.

32 The bill takes effect upon enactment and applies  
33 retroactively to January 1, 1998, for tax years beginning on  
34 or after that date.

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