

2-24-97 W. & Means
3-30-97 Amend/Do Pass
3/20/97 Referred to W & Means
w/S-3194
from the calendar

SENATE FILE

195

BY SCHUERER, REHBERG, ANGELO,
BEHN, BLACK of Kossuth,
McKIBBEN, REDWINE, and
KING

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act reducing the state individual income tax rates by fifteen
2 percent and including a retroactive applicability date
3 provision.

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

SENATE FILE 195

S-3194

- 1 Amend Senate File 195 as follows:
- 2 1. Page 1, by striking line 29 and inserting the
- 3 following:
- 4 "Sec. ____ . This Act takes effect January 1,
- 5 1998,".
- 6 2. Title page, line 2, by striking the words "a
- 7 retroactive applicability" and inserting the
- 8 following: "an effective".

By COMMITTEE ON WAYS AND MEANS
JOANN DOUGLAS, Chairperson

S.F. 195

S-3194 FILED MARCH 20, 1997

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1 Section 1. Section 422.5, subsection 1, paragraphs a
2 through i, Code 1997, are amended to read as follows:

3 a. On all taxable income from zero through one thousand
4 dollars, four-tenths thirty-four hundredths of one percent.

5 b. On all taxable income exceeding one thousand dollars
6 but not exceeding two thousand dollars, eight-tenths sixty-
7 eight hundredths of one percent.

8 c. On all taxable income exceeding two thousand dollars
9 but not exceeding four thousand dollars, two and seven-tenths
10 three-tenths percent.

11 d. On all taxable income exceeding four thousand dollars
12 but not exceeding nine thousand dollars, five four and twenty-
13 five hundredths percent.

14 e. On all taxable income exceeding nine thousand dollars
15 but not exceeding fifteen thousand dollars, six five and
16 eight-tenths seventy-eight hundredths percent.

17 f. On all taxable income exceeding fifteen thousand
18 dollars but not exceeding twenty thousand dollars, seven six
19 and two-tenths twelve-hundredths percent.

20 g. On all taxable income exceeding twenty thousand dollars
21 but not exceeding thirty thousand dollars, seven six and
22 fifty-five forty-two hundredths percent.

23 h. On all taxable income exceeding thirty thousand dollars
24 but not exceeding forty-five thousand dollars, eight seven and
25 eight-tenths forty-eight hundredths percent.

26 i. On all taxable income exceeding forty-five thousand
27 dollars, nine eight and ninety-eight forty-eight
28 percent.

29 Sec. 2. This Act applies retroactively to January 1, 1997,
30 for tax years beginning on or after that date.

31 EXPLANATION

32 The bill reduces the state individual income tax rates by
33 15 percent. The lowest and highest rates under present law
34 are .4 percent and 9.98 percent, respectively. Under the bill
35 these figures would be .34 percent and 8.48 percent.

1 The bill applies retroactively to January 1, 1997, for tax
2 years beginning on or after that date.

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