

FEB 28 2003
WAYS AND MEANS

HOUSE FILE 361
BY MASCHER

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

A BILL FOR

1 An Act providing an Iowa individual income tax checkoff for the
2 arts, making an appropriation, and providing a retroactive
3 applicability date.

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

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1 Section 1. Section 422.12E, Code 2003, is amended to read
2 as follows:

3 422.12E INCOME TAX RETURN CHECKOFFS LIMITED.

4 For tax years beginning on or after January 1, 1995, there
5 shall be allowed no more than three income tax return
6 checkoffs on each income tax return. When the same three
7 income tax return checkoffs have been provided on the income
8 tax return for three consecutive years, the checkoff for which
9 the least amount has been contributed, in the aggregate for
10 the first two tax years and through March 15 of the third tax
11 year, ~~shall be~~ is repealed. This section does not apply to
12 the income tax return checkoff provided in section 56.18.

13 Sec. 2. NEW SECTION. 422.12F INCOME TAX CHECKOFF FOR THE
14 ARTS.

15 1. A person who files an individual or a joint income tax
16 return with the department of revenue and finance under
17 section 422.13 may designate one dollar or more to be paid to
18 the Iowa arts checkoff fund as created in the arts division of
19 the department of cultural affairs. If the refund due on the
20 return or the payment remitted with the return is insufficient
21 to pay the amount designated by the taxpayer to the Iowa arts
22 checkoff fund, the amount designated shall be reduced to the
23 remaining amount of the refund or the remaining amount
24 remitted with the return. The designation of a contribution
25 to the Iowa arts checkoff fund is irrevocable.

26 2. The director of revenue and finance shall draft the
27 income tax form to allow for the designation of contributions
28 to the Iowa arts checkoff fund on the tax return. The
29 department of revenue and finance, on or before January 31,
30 shall transfer the total amount designated on the tax form due
31 in the preceding year to the Iowa arts checkoff fund.
32 However, before a checkoff pursuant to this section shall be
33 permitted, all liabilities on the books of the department of
34 revenue and finance and accounts identified as owing under
35 section 421.17 and the political contribution allowed under

1 section 56.18 shall be satisfied.

2 3. The department of cultural affairs shall create the
3 Iowa arts checkoff fund in the arts division of the
4 department. Moneys in the fund are appropriated to the arts
5 division of the department for purposes of supporting arts
6 division activities and programming.

7 4. The department shall adopt rules to administer this
8 section.

9 5. This section is subject to repeal under section
10 422.12E.

11 Sec. 3. RETROACTIVE APPLICABILITY. This Act applies
12 retroactively to January 1, 2003, for tax years beginning on
13 or after that date and the checkoff shall be eligible for
14 placement on the individual income tax return form for the tax
15 year beginning January 1, 2003.

16 EXPLANATION

17 This bill provides that taxpayers filing individual income
18 tax returns will be allowed to designate \$1 or more on the
19 return to be paid to the Iowa arts checkoff fund. The bill
20 requires the department of revenue and finance to annually
21 remit moneys collected from the checkoff to a fund created in
22 the arts division of the department of cultural affairs, which
23 moneys are appropriated for arts division activities and
24 programming.

25 The bill applies retroactively to January 1, 2003, for tax
26 years beginning on or after that date.

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