

MAR 12 2003
WAYS AND MEANS

HOUSE FILE 522
BY QUIRK

(COMPANION TO LSB 2413SS
BY DVORKSY)

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

A BILL FOR

1 An Act creating a military family relief fund and providing an
2 income tax checkoff for deposit in the fund, making an
3 appropriation, and providing a retroactive applicability date.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 522

1 Section 1. NEW SECTION. 29.4 MILITARY FAMILY RELIEF
2 FUND.

3 1. A military family relief fund is created as a separate
4 and distinct fund in the state treasury under the control of
5 the department of public defense.

6 2. Revenue for the military family relief fund shall
7 include, but is not limited to, the following:

8 a. Moneys credited to the fund pursuant to section
9 422.12F.

10 b. Moneys in the form of a devise, gift, bequest,
11 donation, or federal or other grant intended to be used for
12 the purposes of the fund.

13 3. Moneys in the military family relief fund are not
14 subject to section 8.33. Notwithstanding section 12C.7,
15 subsection 2, interest or earnings on moneys in the fund shall
16 be credited to the fund.

17 4. Moneys in the military family relief fund are
18 appropriated to the department of public defense to be used to
19 make grants to families of persons who are members of the Iowa
20 national guard or Iowa residents who are members of the
21 reserve forces of the armed forces of the United States and
22 who have been called to active duty as a result of the
23 September 11, 2001, terrorist attacks.

24 5. The department of public defense shall establish
25 eligibility criteria for the grants by rule.

26 Sec. 2. Section 422.12E, Code 2003, is amended to read as
27 follows:

28 422.12E INCOME TAX RETURN CHECKOFFS LIMITED.

29 For tax years beginning on or after January 1, 1995, there
30 shall be allowed no more than three income tax return
31 checkoffs on each income tax return. When the same three
32 income tax return checkoffs have been provided on the income
33 tax return for three consecutive years, the checkoff for which
34 the least amount has been contributed, in the aggregate for
35 the first two tax years and through March 15 of the third tax

1 year, ~~shall be~~ is repealed. This section does not apply to
2 the income tax return ~~checkoff~~ checkoffs provided in ~~section~~
3 sections 56.18 and 422.12F.

4 Sec. 3. NEW SECTION. 422.12F INCOME TAX CHECKOFF FOR
5 MILITARY FAMILY RELIEF FUND.

6 1. For the tax year beginning January 1, 2003, a person
7 who files an individual or a joint income tax return with the
8 department of revenue and finance under section 422.13 may
9 designate one dollar or more to be paid to the military family
10 relief fund as created in section 29.4. If the refund due on
11 the return or the payment remitted with the return is
12 insufficient to pay the additional amount designated by the
13 taxpayer to the military family relief fund, the amount
14 designated shall be reduced to the remaining amount of refund
15 or the remaining amount remitted with the return. The
16 designation of a contribution to the military family relief
17 fund under this section is irrevocable.

18 2. The director of revenue and finance shall draft the
19 income tax form to allow the designation of contributions to
20 the military family relief fund on the tax return. The
21 department of revenue and finance, on or before January 31,
22 shall certify the total amount designated on the tax return
23 forms due in the preceding calendar year and shall report the
24 amount to the treasurer of state. The treasurer of state
25 shall credit the amount to the military family relief fund.
26 However, before a checkoff pursuant to this section shall be
27 permitted, all liabilities on the books of the department of
28 revenue and finance and accounts identified as owing under
29 section 421.17 and the political contribution allowed under
30 section 56.18 shall be satisfied.

31 3. The department of revenue and finance shall adopt rules
32 to administer this section.

33 4. The limitation on income tax return checkoffs specified
34 in section 422.12E does not apply to this checkoff.

35 Sec. 4. RETROACTIVE APPLICABILITY. Sections 2 and 3 of

1 this Act apply retroactively to January 1, 2003, for the tax
2 year beginning on that date and the military family relief
3 fund checkoff shall be eligible for placement on the
4 individual income tax return form for the tax year beginning
5 January 1, 2003.

6 EXPLANATION

7 This bill creates the military family relief fund under the
8 control of the department of public defense. Moneys in the
9 fund are appropriated to the department of public defense.
10 Moneys in the fund are to be used to make grants to families
11 of persons who are members of the Iowa national guard or
12 residents who are members of the army reserves and who have
13 been called to active duty as a result of the September 11,
14 2001, attacks.

15 The bill also creates a military family relief fund income
16 tax checkoff. Moneys collected from the checkoff are to be
17 credited to the fund.

18 The bill also provides that the limitation on the number of
19 checkoffs allowed on the Iowa individual income tax return
20 does not apply to the military family relief fund checkoff.

21 The provisions of the bill relating to the military family
22 relief fund checkoff apply retroactively to the tax year
23 beginning January 1, 2003.

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