

MAR 19 2003  
WAYS AND MEANS

HOUSE FILE 640  
BY ALONS

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

A BILL FOR

1 An Act relating to the deduction of corporate dividends received  
2 in computing state individual income taxes and including  
3 effective and retroactive applicability date provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 640

1 Section 1. Section 422.7, Code 2003, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 39. Subtract, to the extent included,  
4 dividends received from common and preferred stocks of  
5 corporations.

6 Sec. 2. EFFECTIVE AND APPLICABILITY DATES. This Act,  
7 being deemed of immediate importance, takes effect upon  
8 enactment and applies retroactively to January 1, 2003, for  
9 tax years beginning on or after that year.

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EXPLANATION

11 This bill allows the deduction of dividends received from  
12 common and preferred stocks of corporations in computing state  
13 individual income tax.

14 The bill takes effect upon enactment and applies  
15 retroactively beginning with the 2003 tax year.

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