

FILED APR 04

SENATE FILE

2305

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 3175)

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to Iowa individual income tax checkoffs,
2 providing an income tax checkoff for volunteer fire fighter
3 preparedness, providing an income tax checkoff for the keep
4 Iowa beautiful fund, relating to the limitation on income tax
5 checkoffs, and including effective and retroactive
6 applicability date provisions.

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

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SF 2305
WAYS & MEANS

1 Section 1. NEW SECTION. 100B.13 VOLUNTEER FIRE FIGHTER
2 PREPAREDNESS FUND.

3 1. A volunteer fire fighter preparedness fund is created
4 as a separate and distinct fund in the state treasury under
5 the control of the division of fire protection of the
6 department of public safety.

7 2. Revenue for the volunteer fire fighter preparedness
8 fund shall include, but is not limited to, the following:

9 a. Moneys credited to the fund pursuant to section
10 422.12F.

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

14 3. Moneys in the volunteer fire fighter preparedness fund
15 are not subject to section 8.33. Notwithstanding section
16 12C.7, subsection 2, interest or earnings on moneys in the
17 fund shall be credited to the fund.

18 4. Moneys in the volunteer fire fighter preparedness fund
19 are appropriated to the division of fire protection of the
20 department of public safety to be used annually to pay the
21 costs of providing volunteer fire fighter training around the
22 state and to pay the costs of providing volunteer fire
23 fighting equipment.

24 Sec. 2. Section 314.28, Code 2003, is reenacted to read as
25 follows:

26 314.28 KEEP IOWA BEAUTIFUL FUND.

27 A keep Iowa beautiful fund is created in the office of the
28 treasurer of state. The fund is composed of moneys
29 appropriated or available to and obtained or accepted by the
30 treasurer of state for deposit in the fund. The fund shall
31 include moneys credited to the fund as provided in section
32 422.12A. All interest earned on moneys in the fund shall be
33 credited to and remain in the fund. Section 8.33 does not
34 apply to moneys in the fund.

35 Moneys in the fund are subject to appropriation by the

1 general assembly annually for the purposes of educating and
2 encouraging Iowans to take greater responsibility for
3 improving their community environment and enhancing the beauty
4 of the state through litter prevention, improving waste
5 management and recycling efforts, and beautification projects.

6 The department may authorize payment of moneys appropriated
7 from the fund to the department upon approval of an
8 application from a private or public organization. The
9 applicant shall submit a plan for litter prevention, improving
10 waste management and recycling efforts, or a beautification
11 project along with its application. The department shall
12 establish standards relating to the type of projects available
13 for assistance.

14 Sec. 3. Section 422.12A, Code Supplement 2003, is
15 reenacted to read as follows:

16 422.12A INCOME TAX REFUND CHECKOFF FOR KEEP IOWA BEAUTIFUL
17 FUND.

18 1. A person who files an individual or a joint income tax
19 return with the department of revenue under section 422.13 may
20 designate one dollar or more to be paid to the keep Iowa
21 beautiful fund as created in section 314.28. If the refund
22 due on the return or the payment remitted with the return is
23 insufficient to pay the additional amount designated by the
24 taxpayer to the keep Iowa beautiful fund, the amount
25 designated shall be reduced to the remaining amount of refund
26 or the remaining amount remitted with the return. The
27 designation of a contribution to the keep Iowa beautiful fund
28 under this section is irrevocable.

29 2. The director of revenue shall draft the income tax form
30 to allow the designation of contributions to the keep Iowa
31 beautiful fund on the tax return. The department of revenue,
32 on or before January 31, shall certify the total amount
33 designated on the tax return forms due in the preceding
34 calendar year and shall report the amount to the treasurer of
35 state. The treasurer of state shall credit the amount to the

1 keep Iowa beautiful fund. However, before a checkoff pursuant
2 to this section shall be permitted, all liabilities on the
3 books of the department of revenue and accounts identified as
4 owing under section 421.17 and the political contribution
5 allowed under section 68A.601 shall be satisfied.

6 3. Moneys in the fund are subject to appropriation as
7 provided in section 314.28.

8 4. The department of revenue shall adopt rules to
9 administer this section.

10 5. This section is subject to repeal under section
11 422.12E.

12 Sec. 4. Section 422.12E, Code Supplement 2003, is amended
13 to read as follows:

14 422.12E INCOME TAX RETURN CHECKOFFS LIMITED.

15 For tax years beginning on or after January 1, ~~1995~~ 2004,
16 there shall be allowed no more than ~~three~~ four income tax
17 return checkoffs on each income tax return. When the same
18 ~~three~~ four income tax return checkoffs have been provided on
19 the income tax return for ~~three~~ two consecutive years, the
20 ~~checkoff~~ two checkoffs for which the least amount has been
21 contributed, in the aggregate for the first ~~two~~ tax years year
22 and through March 15 of the ~~third~~ second tax year, ~~shall be~~
23 are repealed. This section does not apply to the income tax
24 return checkoff provided in section 68A.601.

25 If more checkoffs are enacted in the same session of the
26 general assembly than there is space for inclusion on the
27 individual tax return form, the earliest enacted checkoffs for
28 which there is space for inclusion on the return form shall be
29 included on the return form, and all other checkoffs enacted
30 during that session of the general assembly are repealed.

31 Sec. 5. NEW SECTION. 422.12F INCOME TAX CHECKOFF FOR
32 VOLUNTEER FIRE FIGHTER PREPAREDNESS.

33 1. A person who files an individual or a joint income tax
34 return with the department of revenue under section 422.13 may
35 designate one dollar or more to be paid to the volunteer fire

1 fighter preparedness fund as created in section 100B.13. If
2 the refund due on the return or the payment remitted with the
3 return is insufficient to pay the additional amount designated
4 by the taxpayer to the volunteer fire fighter preparedness
5 fund, the amount designated shall be reduced to the remaining
6 amount of refund or the remaining amount remitted with the
7 return. The designation of a contribution to the volunteer
8 fire fighter preparedness fund under this section is
9 irrevocable.

10 2. The director of revenue shall draft the income tax form
11 to allow the designation of contributions to the volunteer
12 fire fighter preparedness fund on the tax return. The
13 department of revenue, on or before January 31, shall certify
14 the total amount designated on the tax return forms due in the
15 preceding calendar year and shall report the amount to the
16 treasurer of state. The treasurer of state shall credit the
17 amount to the volunteer fire fighter preparedness fund.
18 However, before a checkoff pursuant to this section shall be
19 permitted, all liabilities on the books of the department of
20 revenue and accounts identified as owing under section 421.17
21 and the political contribution allowed under section 68A.601
22 shall be satisfied.

23 3. The department of revenue shall adopt rules to
24 administer this section.

25 4. This section is subject to repeal under section
26 422.12E.

27 Sec. 6. EFFECTIVE DATE. The section of this Act amending
28 section 422.12E, being deemed of immediate importance, takes
29 effect upon enactment.

30 Sec. 7. The sections of this Act reenacting section
31 422.12A and enacting section 422.12F apply retroactively to
32 tax years beginning on or after January 1, 2004.

33 EXPLANATION

34 This bill makes changes relating to Iowa individual income
35 tax checkoffs.

1 The bill reenacts the keep Iowa beautiful checkoff which
2 was scheduled to be removed from the Iowa individual income
3 tax return form effective for the tax year beginning January
4 1, 2004. The bill provides that taxpayers filing individual
5 income tax returns will be allowed to designate \$1 or more on
6 the return to be paid to the keep Iowa beautiful fund. The
7 bill requires the department of revenue to annually remit
8 moneys collected from the checkoff to the keep Iowa beautiful
9 fund created in the office of the treasurer of state. Moneys
10 in the fund are subject to appropriation by the general
11 assembly annually to the department of transportation for the
12 purpose of awarding financial assistance to an applicant who
13 submits, along with its application, a plan for litter
14 prevention, improving waste management and recycling efforts,
15 or a beautification project. The bill provides that the keep
16 Iowa beautiful checkoff is subject to the limitation on the
17 number of checkoffs allowed on the Iowa individual income tax
18 return and, for that reason, is subject to repeal.

19 The bill also creates a volunteer fire fighter preparedness
20 income tax checkoff. Moneys collected from the checkoff are
21 to be credited to the volunteer fire fighter preparedness fund
22 under the control of the division of fire protection of the
23 department of public safety. Moneys in the fund are
24 appropriated to the division of fire protection of the
25 department of public safety. Moneys in the fund are to be
26 used to pay the costs of providing volunteer fire fighter
27 training around the state and volunteer fire fighter training
28 equipment.

29 The bill amends Code section 422.12E relating to the
30 limitation on the number of checkoffs allowed on the Iowa
31 individual income tax return to allow for four checkoffs on a
32 return form for two years with two being taken off at a time.
33 When the same four income tax return checkoffs have been
34 provided for two consecutive years, the two checkoffs
35 receiving the lowest contributions are repealed automatically

1 without further action by the general assembly. The section
2 is also amended to provide that if more checkoffs are enacted
3 during a session of the general assembly than space available
4 on the income tax return form, the checkoffs first enacted
5 will take the next available openings on the income tax return
6 form and all other checkoffs enacted during that session are
7 repealed. These provisions of the bill take effect upon
8 enactment.

9 The checkoffs created in the bill apply retroactively to
10 January 1, 2004, for tax years beginning on or after that
11 date.

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SENATE FILE 2305

S-5307

1 Amend Senate File 2305 as follows:

2 1. Page 3, by striking lines 29 and 30, and
3 inserting the following: "included on the return
4 form, and the inclusion on the return form of any
5 other checkoffs enacted shall be for subsequent tax
6 years in the chronological order in which the
7 checkoffs were enacted."

8 2. Page 4, by inserting after line 26, the
9 following:

10 "Sec. ____ . NEW SECTION. 422.12G INCOME TAX
11 CHECKOFF FOR ANATOMICAL GIFT PUBLIC AWARENESS AND
12 TRANSPLANTATION.

13 1. A person who files an individual or a joint
14 income tax return with the department of revenue under
15 section 422.13 may designate one dollar or more to be
16 paid to the anatomical gift public awareness and
17 transplantation fund as created in section 142C.15.
18 If the refund due on the return or the payment
19 remitted with the return is insufficient to pay the
20 additional amount designated by the taxpayer to the
21 anatomical gift public awareness and transplantation
22 fund, the amount designated shall be reduced to the
23 remaining amount of refund or the remaining amount
24 remitted with the return. The designation of a
25 contribution to the anatomical gift public awareness
26 and transplantation fund under this section is
27 irrevocable.

28 2. The director of revenue shall draft the income
29 tax form to allow the designation of contributions to
30 the anatomical gift public awareness and
31 transplantation fund on the tax return. The
32 department of revenue, on or before January 31, shall
33 certify the total amount designated on the tax return
34 forms due in the preceding calendar year and shall
35 report the amount to the treasurer of state. The
36 treasurer of state shall credit the amount to the
37 anatomical gift public awareness and transplantation
38 fund. However, before a checkoff pursuant to this
39 section shall be permitted, all liabilities on the
40 books of the department of revenue and accounts
41 identified as owing under section 421.17 and the
42 political contribution allowed under section 68A.601
43 shall be satisfied.

44 3. The department of revenue shall adopt rules to
45 administer this section.

46 4. This section is subject to repeal under section
47 422.12E."

48 3. Page 4, line 31, by striking the word and
49 figure "section 422.12F" and inserting the following:
50 "sections 422.12F and 422.12G".

S-5307

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S-5307

Page 2

- 1 4. Title page, line 4, by inserting after the
- 2 word "fund," the following: "providing an income tax
- 3 checkoff for anatomical public awareness and
- 4 transplantation,".
- 5 5. By renumbering as necessary.

By EUGENE S. FRAISE

S-5307 FILED APRIL 12, 2004

SENATE FILE 2305**S-5313**

1 Amend Senate File 2305 as follows:

2 1. By striking page 1, line 24 through page 3,
3 line 11, and inserting the following:

4 "Sec. _____. NEW SECTION. 135.26 FREE HEALTH
5 CLINIC FUND.

6 1. A free health clinic fund is created in the
7 state treasury under the control of the department.
8 The fund is composed of moneys appropriated or
9 available to and obtained or accepted by the treasurer
10 of state for deposit in the fund. The fund shall
11 include moneys credited to the fund as provided in
12 section 422.12G, and moneys in the form of a devise,
13 gift, bequest, donation, or federal or other grant
14 intended to be used for the purposes of the fund.

15 2. Notwithstanding section 12C.7, subsection 2,
16 interest or earnings on moneys in the fund shall be
17 credited to the fund. Section 8.33 does not apply to
18 moneys in the fund.

19 3. Moneys in the fund are appropriated to the
20 department of public health for the purposes of
21 providing financial assistance to public and private
22 organizations for constructing, equipping, or
23 operating free health clinics in this state.

24 4. The department may make awards of financial
25 assistance upon approval of an application from a
26 private or public organization. An applicant shall
27 submit a plan for use of the funds along with its
28 application. The department, in conjunction with the
29 health facilities council, shall establish standards
30 relating to the application and award process."

31 2. Page 4, by inserting after line 26, the
32 following:

33 "Sec. _____. NEW SECTION. 422.12G INCOME TAX
34 REFUND CHECKOFF FOR FREE HEALTH CLINIC FUND.

35 1. A person who files an individual or a joint
36 income tax return with the department of revenue under
37 section 422.13 may designate three dollars or more to
38 be paid to the free health clinic fund as created in
39 section 135.26. If the refund due on the return or
40 the payment remitted with the return is insufficient
41 to pay the additional amount designated by the
42 taxpayer to the free health clinic fund, the amount
43 designated shall be reduced to the remaining amount of
44 refund or the remaining amount remitted with the
45 return. The designation of a contribution to the free
46 health clinic fund under this section is irrevocable.

47 2. The director of revenue shall draft the income
48 tax form to allow the designation of contributions to
49 the free health clinic fund on the tax return. The
50 department of revenue, on or before January 31, shall

S-5313

1 certify the total amount designated on the tax return
2 forms due in the preceding calendar year and shall
3 report the amount to the treasurer of state. The
4 treasurer of state shall credit the amount to the free
5 health clinic fund. However, before a checkoff
6 pursuant to this section is permitted, all liabilities
7 on the books of the department of revenue and accounts
8 identified as owing under section 421.17 and the
9 political contribution allowed under section 68A.601
10 shall be satisfied.

11 3. Moneys in the free health clinic fund are
12 appropriated as provided in section 135.26.

13 4. The department of revenue shall adopt rules to
14 administer this section.

15 5. This section is subject to repeal under section
16 422.12E."

17 3. Page 4, by striking lines 30 and 31, and
18 inserting the following:

19 "Sec. _____. The sections of this Act enacting
20 sections 422.12F and 422.12G apply retroactively to".

21 4. Title page, lines 3 and 4, by striking the
22 words "the keep Iowa beautiful fund," and inserting
23 the following: "deposit in the free health clinic
24 fund,".

By MARY A. LUNDBY
ROBERT E. DVORSKY

SENATE FILE 2305

H-8570

1 Amend Senate File 2305, as passed by the Senate, as
2 follows:

3 1. Page 1, by inserting after line 23, the
4 following:

5 "Sec. ____ . NEW SECTION. 135.26 FREE HEALTH
6 CLINIC FUND.

7 1. A free health clinic fund is created as a
8 separate and distinct fund in the state treasury under
9 the control of the department. The fund is composed
10 of moneys appropriated or available to and obtained or
11 accepted by the treasurer of state for deposit in the
12 fund. The fund shall include moneys credited to the
13 fund as provided in section 422.12F, and moneys in the
14 form of a devise, gift, bequest, donation, or federal
15 or other grant intended to be used for the purposes of
16 the fund.

17 2. Section 8.33 does not apply to moneys in the
18 fund. Notwithstanding section 12C.7, subsection 2,
19 interest or earnings on moneys in the fund shall be
20 credited to the fund.

21 3. Moneys in the fund are appropriated to the
22 department of public health for the purposes of
23 providing financial assistance to public and private
24 organizations for constructing, equipping, or
25 operating free health clinics in this state.

26 4. The department may make awards of financial
27 assistance upon approval of an application from a
28 private or public organization. An applicant shall
29 submit a plan for use of the funds along with its
30 application. The department, in conjunction with the
31 health facilities council, shall establish standards
32 relating to the application and award process."

33 2. By striking page 3, line 31, through page 4,
34 line 26, and inserting the following:

35 "Sec. 101. NEW SECTION. 422.12F INCOME TAX
36 CHECKOFF FOR VOLUNTEER PREPAREDNESS.

37 1. A person who files an individual or a joint
38 income tax return with the department of revenue under
39 section 422.13 may designate one dollar or more to
40 support volunteer fire fighter preparedness and free
41 health clinics. If the refund due on the return or
42 the payment remitted with the return is insufficient
43 to pay the additional amount designated by the
44 taxpayer to such purposes, the amount designated shall
45 be reduced to the remaining amount of refund or the
46 remaining amount remitted with the return. The
47 designation of a contribution support volunteer fire
48 fighter preparedness and free health clinics under
49 this section is irrevocable.

50 2. The director of revenue shall draft the income

H-8570

H-8570

Page 2

1 tax form to allow the designation of contributions to
2 support volunteer fire fighter preparedness and free
3 health clinics on the tax return. The department of
4 revenue, on or before January 31, shall certify the
5 total amount designated on the tax return forms due in
6 the preceding calendar year and shall report the
7 amount to the treasurer of state. The treasurer of
8 state shall credit one-half of the amount to the
9 volunteer fire fighter preparedness fund created in
10 section 100B.13 and one-half of the amount to the free
11 health clinic fund created in section 135.26.

12 However, before a checkoff pursuant to this section
13 shall be permitted, all liabilities on the books of
14 the department of revenue and accounts identified as
15 owing under section 421.17 and the political
16 contribution allowed under section 68A.601 shall be
17 satisfied.

18 3. The department of revenue shall adopt rules to
19 administer this section.

20 4. This section is subject to repeal under section
21 422.12E."

22 3. Title page, line 2, by striking the word "for"
23 and inserting the following: "to support".

24 4. Title page, line 3, by inserting after the
25 word "preparedness" the following: "and free health
26 clinics".

By COMMITTEE ON WAYS AND MEANS
J. K. VAN FOSSEN of Scott,
Chairperson

H-8570 FILED APRIL 14, 2004

SENATE FILE 2305**H-8587**

1 Amend the amendment, H-8570, to Senate File 2305,
2 as passed by the Senate, as follows:

3 1. Page 1, by striking lines 30 and 31, and
4 inserting the following: "application. The
5 department shall establish standards".

By LUKAN of Dubuque

H-8587 FILED APRIL 15, 2004

SENATE FILE 2305**H-8583**

1 Amend the amendment, H-8570, to Senate File 2305,
2 as passed by the Senate, as follows:

3 1. Page 1, line 44, by striking the word "to" and
4 inserting the following: "for".

5 2. Page 1, line 47, by inserting after the word
6 "contribution" the following: "to".

By LUKAN of Dubuque

H-8583 FILED APRIL 15, 2004

SENATE FILE 2305**H-8602**

1 Amend Senate File 2305, as passed by the Senate, as
2 follows:

3 1. Page 4, by inserting before line 27, the
4 following:

5 "Sec. ____ . NEW SECTION. 422.21A INDIVIDUAL
6 INCOME TAX RETURN FORM -- CONTRIBUTION OF MONEY FOR
7 EDUCATION.

8 The department shall provide on income tax return
9 forms for individual and joint filers, in a manner
10 that will be noticeable to the taxpayers, a statement
11 that the taxpayer may designate a contribution to
12 education by increasing the amount of tax owed or
13 reducing the amount of refund due with the amount of
14 the increase or reduction, as the case may be, to be
15 paid to the school district indicated on the tax
16 return form. The return form shall provide space for
17 the taxpayer to indicate the amount of the
18 contribution. If the refund due on the return or the
19 payment remitted with the return is insufficient to
20 pay the additional amount designated by the taxpayer
21 to the school district, the amount designated shall be
22 reduced to the remaining amount of refund or the
23 remaining amount remitted with the return. An
24 increase in the amount of tax owed or a reduction in
25 the amount of refund due which is made by a taxpayer
26 pursuant to this section shall not be considered a
27 tax, for state and federal tax purposes, but shall
28 only be considered a contribution. The designation of
29 a contribution under this section is irrevocable. The
30 director of revenue shall deposit all moneys received
31 under this section to the credit of the school
32 district indicated on the tax return form of the
33 contributing taxpayer."

34 2. Page 4, line 31, by striking the words
35 "section 422.12F" and inserting the following:
36 "sections 422.12F and 422.21A".

37 3. Title page, line 1, by striking the word
38 "checkoffs," and inserting the following: "checkoffs
39 and contributions,".

40 4. Title page, line 5, by inserting after the
41 word "checkoffs," the following: "providing for a
42 contribution for education,".

43 5. By renumbering as necessary.

By BODDICKER of Cedar

H-8602 FILED APRIL 15, 2004

SENATE FILE 2305

H-8632

1 Amend the amendment, H-8570, to Senate File 2305,
2 as passed by the Senate, as follows:

3 1. By striking page 1, line 3, through page 2,
4 line 26, and inserting the following:

5 "____. By striking page 1, line 24, through page
6 3, line 30.

7 _____. Page 4, by striking lines 27 through 31, and
8 inserting the following:

9 "Sec. _____. The section of this Act enacting
10 section 422.12F applies retroactively to".

11 _____. Title page, by striking lines 3 through 6
12 and inserting the following: "preparedness, and
13 including a retroactive applicability provision.""

14 2. By renumbering as necessary.

By JOCHUM of Dubuque
WINCKLER of Scott

H-8632 FILED APRIL 16, 2004

SENATE FILE 2305

H-8635

1 Amend the amendment, H-8570, to Senate File 2305,
2 as passed by the Senate, as follows:

3 1. Page 1, by striking line 3, and inserting the
4 following:

5 "____. By striking page 1, line 24, through page
6 3, line 30, and inserting the".

7 2. Page 2, by inserting after line 21, the
8 following:

9 "____. Page 4, by striking lines 27 through 31,
10 and inserting the following:

11 "Sec. _____. The section of this Act enacting
12 section 422.12F applies retroactively to".

13 3. Page 2, by striking lines 24 through 26, and
14 inserting the following:

15 "____. Title page, by striking lines 3 through 6,
16 and inserting the following: "preparedness and free
17 health clinics, and including a retroactive
18 applicability date provision.""

By LENSING of Johnson

H-8635 FILED APRIL 19, 2004

LOST

Angelo
Dotzler
McKibben

Succeeded By
SF/HF 2305
SSB# 3175
Ways & Means

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON MCKIBBEN)

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

A BILL FOR

1 An Act relating to Iowa individual income tax checkoffs,
2 providing an income tax checkoff for volunteer fire fighter
3 preparedness, providing an income tax checkoff for the keep
4 Iowa beautiful fund, relating to the limitation on income tax
5 checkoffs, and including effective and retroactive
6 applicability date provisions.

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

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1 Section 1. NEW SECTION. 100B.13 VOLUNTEER FIRE FIGHTER
2 PREPAREDNESS FUND.

3 1. A volunteer fire fighter preparedness fund is created
4 as a separate and distinct fund in the state treasury under
5 the control of the division of fire protection of the
6 department of public safety.

7 2. Revenue for the volunteer fire fighter preparedness
8 fund shall include, but is not limited to, the following:

9 a. Moneys credited to the fund pursuant to section
10 422.12F.

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

14 3. Moneys in the volunteer fire fighter preparedness fund
15 are not subject to section 8.33. Notwithstanding section
16 12C.7, subsection 2, interest or earnings on moneys in the
17 fund shall be credited to the fund.

18 4. Moneys in the volunteer fire fighter preparedness fund
19 are appropriated to the division of fire protection of the
20 department of public safety to be used annually to pay the
21 costs of providing volunteer fire fighter training around the
22 state and to pay the costs of providing volunteer fire
23 fighting equipment.

24 Sec. 2. Section 314.28, Code 2003, is reenacted to read as
25 follows:

26 314.28 KEEP IOWA BEAUTIFUL FUND.

27 A keep Iowa beautiful fund is created in the office of the
28 treasurer of state. The fund is composed of moneys
29 appropriated or available to and obtained or accepted by the
30 treasurer of state for deposit in the fund. The fund shall
31 include moneys credited to the fund as provided in section
32 422.12A. All interest earned on moneys in the fund shall be
33 credited to and remain in the fund. Section 8.33 does not
34 apply to moneys in the fund.

35 Moneys in the fund are subject to appropriation by the

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1 general assembly annually for the purposes of educating and
2 encouraging Iowans to take greater responsibility for
3 improving their community environment and enhancing the beauty
4 of the state through litter prevention, improving waste
5 management and recycling efforts, and beautification projects.

6 The department may authorize payment of moneys appropriated
7 from the fund to the department upon approval of an
8 application from a private or public organization. The
9 applicant shall submit a plan for litter prevention, improving
10 waste management and recycling efforts, or a beautification
11 project along with its application. The department shall
12 establish standards relating to the type of projects available
13 for assistance.

14 Sec. 3. Section 422.12A, Code Supplement 2003, is
15 reenacted to read as follows:

16 422.12A INCOME TAX REFUND CHECKOFF FOR KEEP IOWA BEAUTIFUL
17 FUND.

18 1. A person who files an individual or a joint income tax
19 return with the department of revenue under section 422.13 may
20 designate one dollar or more to be paid to the keep Iowa
21 beautiful fund as created in section 314.28. If the refund
22 due on the return or the payment remitted with the return is
23 insufficient to pay the additional amount designated by the
24 taxpayer to the keep Iowa beautiful fund, the amount
25 designated shall be reduced to the remaining amount of refund
26 or the remaining amount remitted with the return. The
27 designation of a contribution to the keep Iowa beautiful fund
28 under this section is irrevocable.

29 2. The director of revenue shall draft the income tax form
30 to allow the designation of contributions to the keep Iowa
31 beautiful fund on the tax return. The department of revenue,
32 on or before January 31, shall certify the total amount
33 designated on the tax return forms due in the preceding
34 calendar year and shall report the amount to the treasurer of
35 state. The treasurer of state shall credit the amount to the

1 keep Iowa beautiful fund. However, before a checkoff pursuant
2 to this section shall be permitted, all liabilities on the
3 books of the department of revenue and accounts identified as
4 owing under section 421.17 and the political contribution
5 allowed under section 68A.601 shall be satisfied.

6 3. Moneys in the fund are subject to appropriation as
7 provided in section 314.28.

8 4. The department of revenue shall adopt rules to
9 administer this section.

10 5. This section is subject to repeal under section
11 422.12E.

12 Sec. 4. Section 422.12E, Code Supplement 2003, is amended
13 to read as follows:

14 422.12E INCOME TAX RETURN CHECKOFFS LIMITED.

15 For tax years beginning on or after January 1, ~~1995~~ 2004,
16 there shall be allowed no more than ~~three~~ four income tax
17 return checkoffs on each income tax return. When the same
18 ~~three~~ four income tax return checkoffs have been provided on
19 the income tax return for ~~three~~ two consecutive years, the
20 ~~checkoff~~ two checkoffs for which the least amount has been
21 contributed, in the aggregate for the first ~~two~~ tax years ~~year~~
22 and through March 15 of the ~~third~~ second tax year, ~~shall be~~
23 are repealed. This section does not apply to the income tax
24 return checkoff provided in section 68A.601.

25 If more than two checkoffs are enacted in the same session
26 of the general assembly for inclusion on the individual income
27 tax return form and, by operation of this section, only two
28 new checkoffs are allowed on the individual income tax return
29 form, the earliest enacted checkoffs shall be included on the
30 return form, or shall be included on the first available
31 opening on the return form, and the inclusion on the return
32 form of any other checkoffs enacted will be for subsequent tax
33 years in the chronological order in which the checkoffs were
34 enacted.

35 Sec. 5. NEW SECTION. 422.12F INCOME TAX CHECKOFF FOR

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1 VOLUNTEER FIRE FIGHTER PREPAREDNESS.

2 1. A person who files an individual or a joint income tax
3 return with the department of revenue under section 422.13 may
4 designate one dollar or more to be paid to the volunteer fire
5 fighter preparedness fund as created in section 100B.13. If
6 the refund due on the return or the payment remitted with the
7 return is insufficient to pay the additional amount designated
8 by the taxpayer to the volunteer fire fighter preparedness
9 fund, the amount designated shall be reduced to the remaining
10 amount of refund or the remaining amount remitted with the
11 return. The designation of a contribution to the volunteer
12 fire fighter preparedness fund under this section is
13 irrevocable.

14 2. The director of revenue shall draft the income tax form
15 to allow the designation of contributions to the volunteer
16 fire fighter preparedness fund on the tax return. The
17 department of revenue, on or before January 31, shall certify
18 the total amount designated on the tax return forms due in the
19 preceding calendar year and shall report the amount to the
20 treasurer of state. The treasurer of state shall credit the
21 amount to the volunteer fire fighter preparedness fund.
22 However, before a checkoff pursuant to this section shall be
23 permitted, all liabilities on the books of the department of
24 revenue and accounts identified as owing under section 421.17
25 and the political contribution allowed under section 68A.601
26 shall be satisfied.

27 3. The department of revenue shall adopt rules to
28 administer this section.

29 4. This section is subject to repeal under section
30 422.12E.

31 Sec. 6. EFFECTIVE DATE. The section of this Act amending
32 section 422.12E, being deemed of immediate importance, takes
33 effect upon enactment.

34 Sec. 7. The sections of this Act reenacting section
35 422.12A and enacting section 422.12F apply retroactively to

1 tax years beginning on or after January 1, 2004.

2 EXPLANATION

3 This bill makes changes relating to Iowa individual income
4 tax checkoffs.

5 The bill reenacts the keep Iowa beautiful checkoff which
6 was scheduled to be removed from the Iowa individual income
7 tax return form effective for the tax year beginning January
8 1, 2004. The bill provides that taxpayers filing individual
9 income tax returns will be allowed to designate \$1 or more on
10 the return to be paid to the keep Iowa beautiful fund. The
11 bill requires the department of revenue to annually remit
12 moneys collected from the checkoff to the keep Iowa beautiful
13 fund created in the office of the treasurer of state. Moneys
14 in the fund are subject to appropriation by the general
15 assembly annually to the department of transportation for the
16 purpose of awarding financial assistance to an applicant who
17 submits, along with its application, a plan for litter
18 prevention, improving waste management and recycling efforts,
19 or a beautification project. The bill provides that the keep
20 Iowa beautiful checkoff is subject to the limitation on the
21 number of checkoffs allowed on the Iowa individual income tax
22 return and, for that reason, is subject to repeal.

23 The bill also creates a volunteer fire fighter preparedness
24 income tax checkoff. Moneys collected from the checkoff are
25 to be credited to the volunteer fire fighter preparedness fund
26 under the control of the division of fire protection of the
27 department of public safety. Moneys in the fund are
28 appropriated to the division of fire protection of the
29 department of public safety. Moneys in the fund are to be
30 used to pay the costs of providing volunteer fire fighter
31 training around the state and volunteer fire fighter training
32 equipment.

33 The bill amends Code section 422.12E relating to the
34 limitation on the number of checkoffs allowed on the Iowa
35 individual income tax return to allow for four checkoffs on a

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1 return form for two years with two being taken off at a time.
2 When the same four income tax return checkoffs have been
3 provided for two consecutive years, the two checkoffs
4 receiving the lowest contributions are repealed automatically
5 without further action by the general assembly. The section
6 is also amended to provide that if more than two checkoffs are
7 enacted during a session of the general assembly and there is
8 space allowed for only two new checkoffs on the income tax
9 return form, the checkoffs first enacted will take the next
10 available openings on the income tax return form. These
11 provisions of the bill take effect upon enactment.

12 The checkoffs created in the bill apply retroactively to
13 January 1, 2004, for tax years beginning on or after that
14 date.

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