

# Senate Study Bill 1300

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
WAYS AND MEANS BILL  
BY CO=CHAIRPERSON ZIEMAN)

Passed Senate, Date \_\_\_\_\_ Passed House, 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:  
5 TLSB 2917XC 81  
6 sc/pj/5

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1 1 Section 1. NEW SECTION. 29.5 MILITARY FAMILY RELIEF  
1 2 FUND.  
1 3 1. A military family relief fund is created as a separate  
1 4 and distinct fund in the state treasury under the control of  
1 5 the department of public defense.  
1 6 2. Revenue for the military family relief fund shall  
1 7 include, but is not limited to, the following:  
1 8 a. Moneys credited to the fund pursuant to section  
1 9 422.12G.  
1 10 b. Moneys in the form of a devise, gift, bequest,  
1 11 donation, or federal or other grant intended to be used for  
1 12 the purposes of the fund.  
1 13 3. Moneys in the military family relief fund are not  
1 14 subject to section 8.33. Notwithstanding section 12C.7,  
1 15 subsection 2, interest or earnings on moneys in the fund shall  
1 16 be credited to the fund.  
1 17 4. Moneys in the military family relief fund are  
1 18 appropriated to the department of public defense to be used to  
1 19 make grants to families of persons who are members of the Iowa  
1 20 national guard or Iowa residents who are members of the  
1 21 reserve forces of the armed forces of the United States and  
1 22 who have been called to active duty as a result of the  
1 23 September 11, 2001, terrorist attacks.  
1 24 5. The department of public defense shall establish  
1 25 eligibility criteria for the grants by rule.  
1 26 Sec. 2. Section 422.12E, unnumbered paragraph 1, Code  
1 27 2005, is amended to read as follows:  
1 28 For tax years beginning on or after January 1, 2004, there  
1 29 shall be allowed no more than four income tax return checkoffs  
1 30 on each income tax return. When the same four income tax  
1 31 return checkoffs have been provided on the income tax return  
1 32 for two consecutive years, the two checkoffs for which the  
1 33 least amount has been contributed, in the aggregate for the  
1 34 first tax year and through March 15 of the second tax year,  
1 35 are repealed. This section does not apply to the income tax  
2 1 return ~~checkoff~~ checkoffs provided in ~~section~~ sections 68A.601  
2 2 and 422.12G.  
2 3 Sec. 3. NEW SECTION. 422.12G INCOME TAX CHECKOFF FOR  
2 4 MILITARY FAMILY RELIEF FUND.  
2 5 1. For the tax year beginning January 1, 2005, a person  
2 6 who files an individual or a joint income tax return with the  
2 7 department of revenue under section 422.13 may designate one  
2 8 dollar or more to be paid to the military family relief fund  
2 9 as created in section 29.5. If the refund due on the return  
2 10 or the payment remitted with the return is insufficient to pay  
2 11 the additional amount designated by the taxpayer to the  
2 12 military family relief fund, the amount designated shall be  
2 13 reduced to the remaining amount of refund or the remaining  
2 14 amount remitted with the return. The designation of a

2 15 contribution to the military family relief fund under this  
2 16 section is irrevocable.  
2 17 2. The director of revenue shall draft the income tax form  
2 18 to allow the designation of contributions to the military  
2 19 family relief fund on the tax return. The department of  
2 20 revenue, on or before January 31, shall certify the total  
2 21 amount designated on the tax return forms due in the preceding  
2 22 calendar year and shall report the amount to the treasurer of  
2 23 state. The treasurer of state shall credit the amount to the  
2 24 military family relief fund. However, before a checkoff  
2 25 pursuant to this section shall be permitted, all liabilities  
2 26 on the books of the department of revenue and accounts  
2 27 identified as owing under section 421.17 and the political  
2 28 contribution allowed under section 68A.601 shall be satisfied.

2 29 3. The department of revenue shall adopt rules to  
2 30 administer this section.

2 31 4. The limitation on income tax return checkoffs specified  
2 32 in section 422.12E does not apply to this checkoff.

2 33 Sec. 4. RETROACTIVE APPLICABILITY. Sections 2 and 3 of  
2 34 this Act apply retroactively to January 1, 2005, for tax years  
2 35 beginning on or after that date and the military family relief  
3 1 fund checkoff shall be eligible for placement on the  
3 2 individual income tax return form for tax years beginning on  
3 3 or after January 1, 2005.

3 4 EXPLANATION

3 5 This bill creates the military family relief fund under the  
3 6 control of the department of public defense. Moneys in the  
3 7 fund are appropriated to the department of public defense.  
3 8 Moneys in the fund are to be used to make grants to families  
3 9 of persons who are members of the Iowa national guard or  
3 10 residents who are members of the army reserves and who have  
3 11 been called to active duty as a result of the September 11,  
3 12 2001, attacks.

3 13 The bill also creates a military family relief fund income  
3 14 tax checkoff. Moneys collected from the checkoff are to be  
3 15 credited to the fund.

3 16 The bill also provides that the limitation on the number of  
3 17 checkoffs allowed on the Iowa individual income tax return  
3 18 does not apply to the military family relief fund checkoff.

3 19 The provisions of the bill relating to the military family  
3 20 relief fund checkoff apply retroactively to the tax year  
3 21 beginning January 1, 2005.

3 22 LSB 2917XC 81

3 23 sc:rj/pj/5