

House File 531 - Introduced

HOUSE FILE _____
BY SHOMSHOR and WESSEL=KROESCHELL

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

A BILL FOR

1 An Act relating to the amount of the earned income tax credit
2 under the individual income tax and including a retroactive
3 applicability date provision.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 2788HH 82
6 mg/gg/14

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1 1 Section 1. Section 422.12B, subsection 1, Code 2007, is
1 2 amended to read as follows:
1 3 1. The taxes imposed under this division less the credits
1 4 allowed under section 422.12 shall be reduced by an earned
1 5 income credit equal to ~~six and one-half~~ fifteen percent of the
1 6 federal earned income credit provided in section 32 of the
1 7 Internal Revenue Code. Any credit in excess of the tax
1 8 liability is nonrefundable.
1 9 Sec. 2. RETROACTIVE APPLICABILITY DATE. This Act applies
1 10 retroactively to January 1, 2007, for tax years beginning on
1 11 or after that date.

EXPLANATION

1 12 This bill increases the state earned income tax credit from
1 13 6.5 percent to 15 percent of the federal earned income tax
1 14 credit.
1 15
1 16 The bill applies retroactively to January 1, 2007, for tax
1 17 years beginning on or after that date.
1 18 LSB 2788HH 82
1 19 mg:rj/gg/14