

# House File 812 - Introduced

HOUSE FILE \_\_\_\_\_  
BY COMMITTEE ON ECONOMIC GROWTH  
(SUCCESSOR TO HF 456)

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

## A BILL FOR

1 An Act relating to income tax deductions for the sale or  
2 charitable contribution of art and including a retroactive  
3 applicability date provision.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
5 TLSB 2055HV 82  
6 tm/je/5

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1 1 Section 1. Section 422.7, Code 2007, is amended by adding  
1 2 the following new subsections:  
1 3 NEW SUBSECTION. 50. a. Subtract, to the extent not  
1 4 otherwise excluded, the appraised value of a work of fine art  
1 5 or written material that is a charitable contribution donated  
1 6 by the artist or author.  
1 7 b. For purposes of this subsection, unless the context  
1 8 otherwise requires:  
1 9 (1) "Artist" and "fine art" mean the same as those terms  
1 10 are defined in section 556D.1.  
1 11 (2) "Charitable contribution" means the same as that term  
1 12 is defined in section 170(c) of the Internal Revenue Code,  
1 13 excluding a contribution or gift to or for the use of a public  
1 14 entity described in section 170(c) of the Internal Revenue  
1 15 Code.  
1 16 (3) "Written material" means an article, book, essay,  
1 17 poetry, play, script, or story written by an individual on a  
1 18 professional, freelance basis and not as an employee of  
1 19 another person.  
1 20 NEW SUBSECTION. 51. Subtract, to the extent not otherwise  
1 21 excluded, the first twenty-five thousand dollars of the gain  
1 22 from the sale of a unique work of art, provided the artist  
1 23 lives and works in a cultural and entertainment district  
1 24 certified pursuant to section 303.3B.  
1 25 Sec. 2. RETROACTIVE APPLICABILITY. The section of this  
1 26 Act amending section 422.7, relating to income tax deductions,  
1 27 applies retroactively to January 1, 2007, for tax years  
1 28 beginning on or after that date.

### EXPLANATION

1 30 This bill relates to income tax deductions for the sale or  
1 31 charitable contribution of art.  
1 32 The bill allows a taxpayer to exempt from income the amount  
1 33 of the appraised value of a work of fine art or written  
1 34 material that is a charitable contribution donated by the  
1 35 artist or author. The deduction applies retroactively to  
2 1 January 1, 2007, for tax years beginning on or after that  
2 2 date.  
2 3 The bill allows a taxpayer to exempt from income an amount  
2 4 up to \$25,000 of the gain from the sale of a unique work of  
2 5 art, provided the artist lives and works in a cultural and  
2 6 entertainment district. The deduction applies retroactively  
2 7 to January 1, 2007, for tax years beginning on or after that  
2 8 date.  
2 9 LSB 2055HV 82  
2 10 tm:sc/je/5