

Senate File 85 - Introduced

SENATE FILE _____
BY HOGG

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

A BILL FOR

1 An Act relating to the release of taxpayer debt information by
2 the department of revenue and to the assessment of penalties
3 and interest on taxes due by active duty military personnel
4 and providing a retroactive applicability date.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6 TLSB 1506XS 83
7 tw/mg:sc/8

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1 1 Section 1. Section 421.17, subsection 27, paragraph i,
1 2 Code 2009, is amended to read as follows:
1 3 i. The director may distribute to credit reporting
1 4 entities and for publication the names, addresses, and amounts
1 5 of indebtedness owed to or being collected by the state if the
1 6 indebtedness is subject to the centralized debt collection
1 7 procedure established in this subsection. The director shall
1 8 not distribute or otherwise release for publication the name,
1 9 address, or amount of indebtedness owed by a taxpayer if the
1 10 taxpayer is a member on active duty in the armed forces, armed
1 11 forces military reserve, or national guard. The director
1 12 shall adopt rules to administer this paragraph, and the rules
1 13 shall provide guidelines by which the director shall determine
1 14 which names, addresses, and amounts of indebtedness may be
1 15 distributed for publication. The director may distribute
1 16 information for publication pursuant to this paragraph,
1 17 notwithstanding sections 422.20, 422.72, and 423.42, or any
1 18 other provision of state law to the contrary pertaining to
1 19 confidentiality of information.
1 20 Sec. 2. Section 421.27, Code 2009, is amended by adding
1 21 the following new subsection:
1 22 NEW SUBSECTION. 8. ASSESSMENT AGAINST ACTIVE DUTY
1 23 MILITARY PERSONNEL. If a taxpayer is a member on active duty
1 24 in the armed forces, armed forces military reserve, or
1 25 national guard, the department shall not add a penalty or
1 26 interest to the amount of tax shown due or required to be
1 27 shown due. Penalty and interest may be assessed on the amount
1 28 of tax due or required to be shown due after the department
1 29 has issued a notice to the taxpayer and provided the taxpayer
1 30 at least ninety days from the cessation of the taxpayer's tour
1 31 of active duty to remit payment of the amount of tax shown due
1 32 or required to be shown due.
1 33 Sec. 3. RETROACTIVE APPLICABILITY. This Act applies
1 34 retroactively to January 1, 2008, for tax years beginning on
1 35 or after that date.

EXPLANATION

2 1 This bill prevents the department of revenue from
2 2 distributing or otherwise releasing the name, address, or
2 3 amount of indebtedness owed by a taxpayer if the taxpayer is a
2 4 member on active duty in the armed forces, the armed forces
2 5 military reserve, or the national guard.
2 6 The bill also requires the department of revenue to give
2 7 active duty military personnel a delinquency notice and a
2 8 90-day grace period after the taxpayer ceases to be on active
2 9 duty before assessing a tax penalty and interest on the amount
2 10 due.
2 11 The bill applies retroactively to January 1, 2008, for tax
2 12 years beginning on or after that date.
2 13
2 14 LSB 1506XS 83
2 15 tw/mg:sc/8