

**Senate Study Bill 3112 - Introduced**

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED DEPARTMENT OF  
REVENUE BILL)

**A BILL FOR**

1 An Act relating to the technical administration of the tax  
2 and related laws by the department of revenue, including  
3 administration of income taxes, moneys and credits tax,  
4 insurance premiums tax, sales and use taxes, fees for new  
5 vehicle registration, franchise fees, and the environmental  
6 protection charge, making penalties applicable, and  
7 including retroactive applicability provisions.

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

1 Section 1. Section 15.119, subsection 1, Code Supplement  
2 2009, is amended to read as follows:

3 1. Notwithstanding any provision to the contrary in  
4 sections 15.327 through 15.336, section 15.393, ~~section 15A.9,~~  
5 ~~subsection 8,~~ sections 15E.191 through 15E.197, 422.11E,  
6 and section 422.33, subsection 9, the department shall not  
7 authorize an amount of tax credits for purposes specified in  
8 subsection 2 in excess of one hundred eighty-five million  
9 dollars for any fiscal year. However, the department may  
10 authorize an amount of tax credits in one fiscal year in excess  
11 of one hundred eighty-five million, and such excess amount  
12 shall be counted against the total amount of tax credits that  
13 may be authorized in the next fiscal year.

14 Sec. 2. Section 15.119, subsection 2, paragraph c, Code  
15 Supplement 2009, is amended by striking the paragraph.

16 Sec. 3. Section 15.293A, subsection 2, paragraph f, Code  
17 2009, is amended to read as follows:

18 *f.* A tax credit shall not be claimed by a transferee  
19 under this section until a replacement tax credit certificate  
20 identifying the transferee as the proper holder has been  
21 issued. The transferee may use the amount of the tax credit  
22 transferred against the taxes imposed in chapter 422, divisions  
23 II, III, and V, and in chapter 432, and against the moneys and  
24 credits tax imposed in section 533.329, for any tax year the  
25 original transferor could have claimed the tax credit. Any  
26 consideration received for the transfer of the tax credit shall  
27 not be included as income under chapter 422, divisions II, III,  
28 and V, ~~under chapter 432, or against the moneys and credits tax~~  
29 ~~imposed in section 533.329.~~ Any consideration paid for the  
30 transfer of the tax credit shall not be deducted from income  
31 under chapter 422, divisions II, III, and V, ~~under chapter~~  
32 ~~432, or against the moneys and credits tax imposed in section~~  
33 ~~533.329.~~

34 Sec. 4. Section 15.329, subsection 3, Code Supplement 2009,  
35 is amended by striking the subsection.

1     Sec. 5. Section 15.393, subsection 2, paragraph a,  
2 subparagraph (3), Code Supplement 2009, is amended to read as  
3 follows:

4     (3) After verifying the eligibility for a tax credit under  
5 this paragraph "a", the department of economic development  
6 shall issue a film, television, and video project promotion  
7 program tax credit certificate to be attached to the person's  
8 tax return. The tax credit certificate shall contain the  
9 taxpayer's name, address, tax identification number, the date  
10 of project completion, the amount of credit, other information  
11 required by the department of revenue, and a place for the name  
12 and tax identification number of a transferee and the amount  
13 of the tax credit being transferred. Tax credit certificates  
14 issued under this paragraph "a" may be transferred to any person  
15 or entity. Within ninety days of transfer, the transferee  
16 shall submit the transferred tax credit certificate to the  
17 department of revenue along with a statement containing the  
18 transferee's name, tax identification number, and address,  
19 and the denomination that each replacement tax credit  
20 certificate is to carry and any other information required by  
21 the department of revenue. Within thirty days of receiving  
22 the transferred tax credit certificate and the transferee's  
23 statement, the department of revenue shall issue one or more  
24 replacement tax credit certificates to the transferee. Each  
25 replacement tax credit certificate must contain the information  
26 required for the original tax credit certificate and must have  
27 the same expiration date that appeared in the transferred  
28 tax credit certificate. Tax credit certificate amounts  
29 of less than the minimum amount established by rule of the  
30 department of economic development shall not be transferable.  
31 A tax credit shall not be claimed by a transferee under this  
32 paragraph "a" until a replacement tax credit certificate  
33 identifying the transferee as the proper holder has been  
34 issued. The transferee may use the amount of the tax credit  
35 transferred against the taxes imposed in chapter 422, divisions

1 II, III, and V, and in chapter 432, and against the moneys and  
2 credits tax imposed in section 533.329, for any tax year the  
3 original transferor could have claimed the tax credit. Any  
4 consideration received for the transfer of the tax credit shall  
5 not be included as income under chapter 422, divisions II, III,  
6 and V, ~~under chapter 432, or against the moneys and credits tax~~  
7 ~~imposed in section 533.329.~~ Any consideration paid for the  
8 transfer of the tax credit shall not be deducted from income  
9 under chapter 422, divisions II, III, and V, ~~under chapter~~  
10 ~~432, or against the moneys and credits tax imposed in section~~  
11 ~~533.329.~~

12 Sec. 6. Section 15.393, subsection 2, paragraph b,  
13 subparagraph (2), Code Supplement 2009, is amended to read as  
14 follows:

15 (2) After verifying the eligibility for a tax credit under  
16 this paragraph "b", the department of economic development  
17 shall issue a film, television, and video project promotion  
18 program tax credit certificate to be attached to the person's  
19 tax return. The tax credit certificate shall contain the  
20 taxpayer's name, address, tax identification number, the date  
21 of project completion, the amount of credit, other information  
22 required by the department of revenue, and a place for the name  
23 and tax identification number of a transferee and the amount  
24 of the tax credit being transferred. Tax credit certificates  
25 issued under this paragraph "b" may be transferred to any person  
26 or entity. Within ninety days of transfer, the transferee  
27 shall submit the transferred tax credit certificate to the  
28 department of revenue along with a statement containing the  
29 transferee's name, tax identification number, and address,  
30 and the denomination that each replacement tax credit  
31 certificate is to carry and any other information required by  
32 the department of revenue. Within thirty days of receiving  
33 the transferred tax credit certificate and the transferee's  
34 statement, the department of revenue shall issue one or more  
35 replacement tax credit certificates to the transferee. Each

1 replacement tax credit certificate must contain the information  
2 required for the original tax credit certificate and must have  
3 the same expiration date that appeared in the transferred  
4 tax credit certificate. Tax credit certificate amounts  
5 of less than the minimum amount established by rule of the  
6 department of economic development shall not be transferable.  
7 A tax credit shall not be claimed by a transferee under this  
8 paragraph "b" until a replacement tax credit certificate  
9 identifying the transferee as the proper holder has been  
10 issued. The transferee may use the amount of the tax credit  
11 transferred against the taxes imposed in chapter 422, divisions  
12 II, III, and V, and in chapter 432, and against the moneys and  
13 credits tax imposed in section 533.329, for any tax year the  
14 original transferor could have claimed the tax credit. Any  
15 consideration received for the transfer of the tax credit shall  
16 not be included as income under chapter 422, divisions II, III,  
17 and V, ~~under chapter 432, or against the moneys and credits tax~~  
18 ~~imposed in section 533.329.~~ Any consideration paid for the  
19 transfer of the tax credit shall not be deducted from income  
20 under chapter 422, divisions II, III, and V, ~~under chapter~~  
21 ~~432, or against the moneys and credits tax imposed in section~~  
22 ~~533.329.~~

23 Sec. 7. Section 364.2, subsection 4, paragraph f, Code  
24 Supplement 2009, is amended to read as follows:

25 *f.* (1) A franchise fee assessed by a city may be based  
26 upon a percentage of gross revenues generated from sales of the  
27 franchisee within the city not to exceed five percent, without  
28 regard to the city's cost of inspecting, supervising, and  
29 otherwise regulating the franchise. Franchise fees collected  
30 pursuant to an ordinance in effect on May 26, 2009, shall be  
31 deposited in the city's general fund and such fees collected  
32 in excess of the amounts necessary to inspect, supervise, and  
33 otherwise regulate the franchise may be used by the city for  
34 any other purpose authorized by law. Franchise fees collected  
35 pursuant to an ordinance that is adopted or amended on or

1 after May 26, 2009, to increase the percentage rate at which  
2 franchise fees are assessed shall be credited to the franchise  
3 fee account within the city's general fund and used pursuant  
4 to section 384.3A. If a city franchise fee is assessed to  
5 customers of a franchise, the fee shall not be assessed to the  
6 city as a customer. Before a city adopts or amends a franchise  
7 fee rate ordinance or franchise ordinance to increase the  
8 percentage rate at which franchise fees are assessed, a revenue  
9 purpose statement shall be prepared specifying the purpose or  
10 purposes for which the revenue collected from the increased  
11 rate will be expended. If property tax relief is listed as  
12 a purpose, the revenue purpose statement shall also include  
13 information regarding the amount of the property tax relief to  
14 be provided with revenue collected from the increased rate.  
15 The revenue purpose statement shall be published as provided  
16 in section 362.3.

17 (2) If a city adopts, amends, or repeals an ordinance  
18 imposing a franchise fee, the city shall promptly notify the  
19 director of revenue of such action.

20 Sec. 8. Section 421.27, subsections 1 and 4, Code 2009, are  
21 amended to read as follows:

22 1. *Failure to timely file a return or deposit form or to*  
23 *timely remit tax.* If a person fails to file with the department  
24 on or before the due date a return or deposit form or, if  
25 no return is required, fails to timely remit the tax due or  
26 required to be shown due, there shall be added to the tax shown  
27 due or required to be shown due a penalty of ten percent of the  
28 tax shown due or required to be shown due. The penalty, if  
29 assessed, shall be waived by the department upon a showing of  
30 any of the following conditions:

31 a. At least ninety percent of the tax required to be shown  
32 due has been paid by the due date of the tax.

33 b. Those taxpayers who are required to file quarterly  
34 returns, or monthly or semimonthly deposit forms may have one  
35 late return or deposit form within a three-year period. The

1 use of any other penalty exception will not count as a late  
2 return or deposit form for purposes of this exception.

3 *c.* The death of a taxpayer, death of a member of the  
4 immediate family of the taxpayer, or death of the person  
5 directly responsible for filing the return and paying the tax,  
6 when the death interferes with timely filing.

7 *d.* The onset of serious, long-term illness or  
8 hospitalization of the taxpayer, of a member of the immediate  
9 family of the taxpayer, or of the person directly responsible  
10 for filing the return and paying the tax.

11 *e.* Destruction of records by fire, flood, or other act of  
12 God.

13 *f.* The taxpayer presents proof that the taxpayer relied  
14 upon applicable, documented, written advice specifically  
15 made to the taxpayer, to the taxpayer's preparer, or to an  
16 association representative of the taxpayer from the department,  
17 state department of transportation, county treasurer, or  
18 federal internal revenue service, whichever is appropriate,  
19 that has not been superseded by a court decision, ruling by a  
20 quasi-judicial body, or the adoption, amendment, or repeal of  
21 a rule or law.

22 *g.* Reliance upon results in a previous audit was a direct  
23 cause for the failure to file where the previous audit  
24 expressly and clearly addressed the issue and the previous  
25 audit results have not been superseded by a court decision, or  
26 the adoption, amendment, or repeal of a rule or law.

27 *h.* Under rules prescribed by the director, the taxpayer  
28 presents documented proof of substantial authority to rely  
29 upon a particular position or upon proof that all facts and  
30 circumstances are disclosed on a return or deposit form.

31 *i.* The return, deposit form, or payment is timely, but  
32 erroneously, mailed with adequate postage to the internal  
33 revenue service, another state agency, or a local government  
34 agency and the taxpayer provides proof of timely mailing with  
35 adequate postage.

1     *j.* The tax has been paid by the wrong licensee and the  
2 payments were timely remitted to the department for one or more  
3 tax periods prior to notification by the department.

4     *k.* The failure to file was discovered through a sanctioned  
5 self-audit program conducted by the department.

6     *l.* If the availability of funds in payment of tax required  
7 to be made through electronic funds transfer is delayed and the  
8 delay of availability is due to reasons beyond the control of  
9 the taxpayer. "*Electronic funds transfer*" means any transfer  
10 of funds, other than a transaction originated by check, draft,  
11 or similar paper instrument, that is initiated through an  
12 electronic terminal telephone, computer, magnetic tape, or  
13 similar device for the purpose of ordering, instructing, or  
14 authorizing a financial institution to debit or credit an  
15 account.

16     *m.* The failure to file a timely inheritance tax return  
17 resulting solely from a disclaimer that required the personal  
18 representative to file an inheritance tax return. The penalty  
19 shall be waived if such return is filed and any tax due is paid  
20 within the later of nine months from the date of death or sixty  
21 days from the delivery or filing of the disclaimer pursuant to  
22 section 633E.12.

23     *n.* That an Iowa inheritance tax return is filed for an  
24 estate within the later of nine months from the date of  
25 death or sixty days from the filing of a disclaimer by the  
26 beneficiary of the estate refusing to take the property or  
27 right or interest in the property.

28     4. *Willful failure to file a return or deposit form or to*  
29 *timely remit tax.*

30     ~~*a.* In case of~~ If there is a willful failure by a taxpayer to  
31 file a return or deposit form with the intent to evade tax, or  
32 in case of willfully filing, if no return is required, to  
33 timely remit the tax due or required to be shown due, or if the  
34 taxpayer willfully files a false return or deposit form with  
35 the intent to evade tax, in lieu of the penalties otherwise



1 provided in this section, a penalty of seventy-five percent  
2 shall be added to the amount shown due or required to be shown  
3 due as tax on the return or deposit form, or the amount due  
4 if no return is required. If penalties are applicable for  
5 failure to file a return or deposit form and failure to pay  
6 the tax shown due or required to be shown due on the return or  
7 deposit form, the penalty provision for failure to file shall  
8 be in lieu of the penalty provisions for failure to pay the tax  
9 shown due or required to be shown due on the return or deposit  
10 form, except in the case of willful failure to file a return or  
11 deposit form or willfully filing a false return or deposit form  
12 with intent to evade tax.

13 b. The penalties imposed under this subsection are not  
14 subject to waiver.

15 Sec. 9. Section 422.7, subsection 9, Code Supplement 2009,  
16 is amended to read as follows:

17 9. Subtract the amount of the alcohol ~~fuel~~ and cellulosic  
18 biofuel fuels credit allowable for the tax year under section  
19 40 of the Internal Revenue Code to the extent that the credit  
20 increased federal adjusted gross income.

21 Sec. 10. Section 422.33, subsection 5, paragraph f, Code  
22 Supplement 2009, is amended by striking the paragraph.

23 Sec. 11. Section 422.33, subsection 12, paragraph b, Code  
24 Supplement 2009, is amended to read as follows:

25 b. The taxes imposed under this division shall be  
26 reduced by investment tax credits authorized pursuant to  
27 ~~sections section 15.333, 15A.9, subsection 4,~~ and section  
28 15E.193B, subsection 6.

29 Sec. 12. Section 422.35, subsection 7, Code Supplement  
30 2009, is amended to read as follows:

31 7. Subtract the amount of the alcohol ~~fuel~~ and cellulosic  
32 biofuel fuels credit allowable for the tax year under section  
33 40 of the Internal Revenue Code to the extent that the credit  
34 increased federal taxable income.

1 Sec. 13. Section 422.36, subsection 4, Code 2009, is amended

2 to read as follows:

3 4. Foreign and domestic corporations shall file a copy of  
4 their federal income tax return for the current tax year with  
5 the return required by this section.

6 Sec. 14. Section 422.89, subsection 3, unnumbered paragraph  
7 1, Code 2009, is amended to read as follows:

8 An amount equal to ~~ninety~~ one hundred percent of the tax for  
9 the taxable year computed by placing on an annualized basis the  
10 taxable income:

11 Sec. 15. Section 423.3, subsection 40, Code Supplement  
12 2009, is amended to read as follows:

13 40. The sales price from the sale of automotive fluids  
14 to a retailer to be used either in providing a service which  
15 includes the installation or application of the fluids in  
16 or on a motor vehicle, which service is subject to section  
17 423.2, subsection 6, or to be installed in or applied to a  
18 motor vehicle which the retailer intends to sell, which sale  
19 is subject to section ~~423.26~~ 321.105A. For purposes of this  
20 subsection, automotive fluids are all those which are refined,  
21 manufactured, or otherwise processed and packaged for sale  
22 prior to their installation in or application to a motor  
23 vehicle. They include but are not limited to motor oil and  
24 other lubricants, hydraulic fluids, brake fluid, transmission  
25 fluid, sealants, undercoatings, antifreeze, and gasoline  
26 additives.

27 Sec. 16. Section 423.36, subsection 3, paragraph a, Code  
28 2009, is amended to read as follows:

29 a. The department shall grant and issue to each applicant  
30 a permit for each place of business in this state where sales  
31 or use tax is collected. A permit is not assignable and is  
32 valid only for the person in whose name it is issued and for the  
33 transaction of business at the place designated or at a place  
34 of relocation within the ~~state~~ same county, if the ownership  
35 remains the same.

1 Sec. 17. Section 423.37, subsections 1 and 2, Code 2009, are

2 amended to read as follows:

3 1. As soon as practicable after a return is filed and in  
4 any event within three years after the return is filed, the  
5 department shall examine it, assess and determine the tax due  
6 if the return is found to be incorrect, and give notice to the  
7 person liable for the tax of the assessment and determination  
8 as provided in subsection 2. The period for the examination  
9 and determination of the correct amount of tax is unlimited in  
10 the case of a false or fraudulent return made with the intent  
11 to evade tax or in the case of a failure to file a return or, if  
12 no return is required, in the case of a failure to pay the tax  
13 due or required to be shown due.

14 2. If a return required by this subchapter is not filed,  
15 or if a return when filed is incorrect or insufficient and  
16 the maker fails to file a corrected or sufficient return  
17 within twenty days after the same is required by notice from  
18 the department, or if tax is due but no return is required,  
19 the department shall determine the amount of tax due from  
20 information as the department may be able to obtain and, if  
21 necessary, may estimate the tax on the basis of external  
22 indices, such as number of employees of the person concerned,  
23 rentals paid by the person, stock on hand, or other factors.  
24 The determination may be made using any generally recognized  
25 valid and reliable sampling technique, whether or not the  
26 person being audited has complete records, as mutually agreed  
27 upon by the department and the taxpayer. The department shall  
28 give notice of the determination to the person liable for the  
29 tax. The determination shall fix the tax unless the person  
30 against whom it is assessed shall, within sixty days after the  
31 giving of notice of the determination, apply to the director  
32 for a hearing or unless the taxpayer contests the determination  
33 by paying the tax, interest, and penalty and timely filing a  
34 claim for refund. At the hearing, evidence may be offered to  
35 support the determination or to prove that it is incorrect.

1 After the hearing the director shall give notice of the

2 decision to the person liable for the tax.

3 Sec. 18. Section 423.57, Code 2009, is amended to read as  
4 follows:

5 **423.57 Statutes applicable.**

6 The director shall administer this subchapter as it relates  
7 to the taxes imposed in this chapter in the same manner and  
8 subject to all the provisions of, and all of the powers,  
9 duties, authority, and restrictions contained in sections  
10 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21, 423.22,  
11 423.23, 423.24, 423.25, ~~423.28~~, 423.29, 423.31, 423.32, 423.33,  
12 423.34, 423.34A, 423.35, 423.37, 423.38, 423.39, 423.40,  
13 423.41, and 423.42, section 423.43, subsection 1, and sections  
14 423.45, 423.46, and 423.47.

15 Sec. 19. Section 424.2, subsections 6, 10, and 13, Code  
16 2009, are amended to read as follows:

17 6. "*Depositor*" means the person who deposits petroleum into  
18 an underground storage tank subject to regulation under chapter  
19 455G or an aboveground petroleum storage tank as defined  
20 in section 101.21, located at a retail motor ~~vehiele~~ fuel  
21 outlet if the aboveground storage tank is physically connected  
22 directly to pumps which dispense petroleum that is sold at the  
23 motor ~~vehiele~~ fuel outlet on a retail basis.

24 10. "*Owner or operator*" means "*owner or operator*" of an  
25 underground storage tank as used in chapter 455G or the  
26 "*owner*" or "*operator*" of an aboveground petroleum storage  
27 tank as defined in section 101.21, located at a retail  
28 motor ~~vehiele~~ fuel outlet if the aboveground storage tank is  
29 physically connected directly to pumps which dispense petroleum  
30 that is sold at the motor ~~vehiele~~ fuel outlet on a retail  
31 basis.

32 13. "*Tank*" means an underground storage tank subject to  
33 regulation under chapter 455G or an aboveground petroleum  
34 storage tank as defined in section 101.21, located at a retail  
35 motor ~~vehiele~~ fuel outlet if the aboveground storage tank is  
1 physically connected directly to pumps which dispense petroleum

2 that is sold at the motor ~~vehicle~~ fuel outlet on a retail  
3 basis.

4 Sec. 20. REPEAL. Section 423.28, Code 2009, is repealed.

5 Sec. 21. REPEAL. Section 15A.9, Code Supplement 2009, is  
6 repealed.

7 Sec. 22. RETROACTIVE APPLICABILITY. The section of this  
8 Act amending section 422.89 applies retroactively to January 1,  
9 2010, for tax years beginning on or after that date.

10 EXPLANATION

11 This bill relates to the technical administration of the tax  
12 and related laws by the department of revenue.

13 The bill amends Code sections 15.293A and 15.393 to  
14 eliminate certain income-related references to the insurance  
15 premium tax and moneys and credits tax which are not imposed  
16 on an income basis. The amended Code sections relate to the  
17 tax credits available for brownfields redevelopment, film  
18 expenditures, and film investment.

19 The bill repeals Code section 15A.9, which is the quality  
20 jobs enterprise zone program. The program commonly known as  
21 the enterprise zone program is currently administered pursuant  
22 to Code sections 15E.191 through 15E.198, and the last contract  
23 issued under the quality jobs enterprise zone program is now  
24 expired making Code section 15A.9 no longer necessary. The  
25 bill makes changes to Code sections 15.119, 15.329, and 422.33  
26 in conformance with the repeal of this Code section.

27 The bill amends Code section 364.2, relating to franchise  
28 fees imposed by cities, to require a city to notify the  
29 department whenever an ordinance imposing a franchise fee is  
30 adopted, amended, or repealed. Because the imposition of  
31 a franchise fee requires utilities to stop collecting the  
32 local option sales and services tax and instead collect the  
33 franchise fee, the adoption, amendment, or repeal of such a fee  
34 impacts the department's distribution of local option sales and  
35 services tax revenue to local governments.

1 The bill amends Code section 421.27 to clarify existing

2 departmental policy regarding the penalty that applies not only  
3 for failure to timely file a return but also for a failure  
4 to timely remit taxes to the department. By operation of  
5 law, the changes to Code section 421.27 also apply to Code  
6 sections 423.40, 424.17, 437A.13, 450.63, 452A.65, 453A.28, and  
7 453A.46(3).

8 The bill amends Code sections 422.7 and 422.35 to update  
9 the name of the individual and corporate tax credits for the  
10 production of alcohol and biofuels to be the same as the name  
11 of the credit available in section 40 of the federal Internal  
12 Revenue Code.

13 The bill amends Code section 422.36 to provide that domestic  
14 corporations must provide a copy of their federal income tax  
15 return when filing their Iowa corporation income tax return.  
16 Currently, foreign corporations are subject to the same  
17 requirement and this change reflects the current practices of  
18 the department.

19 In 2009, certain provisions were amended to increase the  
20 standard for the exception to the underpayment of estimated  
21 tax penalty for Iowa corporation income tax for annualization  
22 of income from 90 percent of the tax liability to 100 percent  
23 of the tax liability. Code section 422.89, which contains a  
24 similar provision, was not amended at that time. The bill  
25 amends Code section 422.89 to reflect the substance of the  
26 changes made in 2009. This provision of the bill applies  
27 retroactively to January 1, 2010, for tax years beginning on  
28 or after that date.

29 Code section 423.3 is amended to correct an internal  
30 reference to Code section 321.105A relating to the sale of a  
31 motor vehicle and the fee for a new vehicle registration.

32 Code section 423.28 required motor vehicle dealers to file  
33 reports related to the paying of the sales tax for the sale of  
34 motor vehicles. Because such sales are now subject to the fee  
35 for new vehicle registration and such reports are no longer  
1 required, the bill repeals Code section 423.28. The bill makes

2 a conforming amendment to Code section 423.57.

3 The bill amends Code section 423.36 to provide that a new  
4 sales tax permit must be obtained if a place of business is  
5 relocated to a new county. This change reflects the current  
6 practice of the department and impacts the distribution of  
7 local option sales tax revenue.

8 The bill amends Code section 423.37 to specify that the  
9 period for examination and determination of the correct amount  
10 of tax is unlimited, not only for failure to timely file a  
11 return but also for failure to timely remit the tax due when  
12 no return is required to be filed. Code section 423.37 is  
13 further amended to specify that certain authority related  
14 to determining the amount of tax due applies not only to an  
15 incorrectly or insufficiently filed return, or to a failure to  
16 timely file a return, but also to a failure to timely remit  
17 taxes when no return is required to be filed.

18 The bill amends Code section 424.2, pertaining to the  
19 environmental protection charge, by correcting out-of-date  
20 language relating to motor fuel outlets. The amendment makes  
21 language in Code section 424.2 consistent with similar language  
22 used in Code chapter 452A, relating to motor fuel and special  
23 fuel taxes.