

**House File 652 - Introduced**

HOUSE FILE 652

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 141)

**A BILL FOR**

1 An Act providing an exemption from the computation of the  
2 individual state income tax of all pay received for  
3 active duty military service and including retroactive  
4 applicability provisions.

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

1 Section 1. Section 422.7, Code 2011, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 42A. Subtract, to the extent included,  
4 all pay received by the taxpayer from the federal government  
5 for military service performed while on active duty status in  
6 the armed forces, the armed forces military reserve, or the  
7 national guard.

8 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies  
9 retroactively to January 1, 2011, for tax years beginning on  
10 or after that date.

11 EXPLANATION

12 This bill exempts from the individual income tax all pay  
13 received by a taxpayer from the federal government for military  
14 service performed while on active duty status in the armed  
15 forces, the armed forces military reserve, or the national  
16 guard.

17 The bill applies retroactively to January 1, 2011, for tax  
18 years beginning on or after that date.