

Senate Study Bill 3023 - Introduced

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

A BILL FOR

1 An Act updating the Code references to the Internal Revenue
2 Code, and including effective date and retroactive
3 applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 15.335, subsection 7, paragraph b, Code
2 Supplement 2011, is amended to read as follows:

3 b. For purposes of this section, "*Internal Revenue Code*"
4 means the Internal Revenue Code in effect on January 1, ~~2011~~
5 2012.

6 Sec. 2. Section 15A.9, subsection 8, paragraph e,
7 subparagraph (2), Code Supplement 2011, is amended to read as
8 follows:

9 (2) For purposes of this subsection, "*Internal Revenue Code*"
10 means the Internal Revenue Code in effect on January 1, ~~2011~~
11 2012.

12 Sec. 3. Section 422.3, subsection 5, Code Supplement 2011,
13 is amended to read as follows:

14 5. "*Internal Revenue Code*" means the Internal Revenue Code
15 of 1954, prior to the date of its redesignation as the Internal
16 Revenue Code of 1986 by the Tax Reform Act of 1986, or means
17 the Internal Revenue Code of 1986 as amended to and including
18 January 1, ~~2011~~ 2012.

19 Sec. 4. Section 422.10, subsection 3, paragraph b, Code
20 Supplement 2011, is amended to read as follows:

21 b. For purposes of this section, "*Internal Revenue Code*"
22 means the Internal Revenue Code in effect on January 1, ~~2011~~
23 2012.

24 Sec. 5. Section 422.32, subsection 1, paragraph g, Code
25 Supplement 2011, is amended to read as follows:

26 g. "*Internal Revenue Code*" means the Internal Revenue Code
27 of 1954, prior to the date of its redesignation as the Internal
28 Revenue Code of 1986 by the Tax Reform Act of 1986, or means
29 the Internal Revenue Code of 1986 as amended to and including
30 January 1, ~~2011~~ 2012.

31 Sec. 6. Section 422.33, subsection 5, paragraph d,
32 subparagraph (2), Code Supplement 2011, is amended to read as
33 follows:

34 (2) For purposes of this subsection, "*Internal Revenue Code*"
35 means the Internal Revenue Code in effect on January 1, ~~2011~~

1 2012.

2 Sec. 7. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
3 immediate importance, takes effect upon enactment.

4 Sec. 8. RETROACTIVE APPLICABILITY. This Act applies
5 retroactively to January 1, 2011, for tax years beginning on
6 or after that date.

7	EXPLANATION
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8 This bill updates the Iowa Code references to the Internal
9 Revenue Code to make federal income tax revisions enacted by
10 Congress in 2011 applicable for Iowa income tax purposes.

Code sections 422.3 and 422.32, general definitions
sections in the chapter of the Code that governs corporate
and individual income tax and the franchise tax on financial
institutions, are amended to update the references to the
Internal Revenue Code to make certain federal income tax
revisions enacted by Congress in 2011 applicable for purposes
of the corporate and individual income taxes and the franchise
tax on financial institutions.

Code sections 15.335, 15A.9, 422.10, and 422.33 are amended to update the Internal Revenue Code references to the state research activities credit for individuals, corporations, corporations in economic development areas, and corporations in quality jobs enterprise zones to include the 2011 federal changes to the research activities credit and the alternative simplified research activities credit.

26 The bill takes effect upon enactment and applies
27 retroactively to January 1, 2011, for tax years beginning on
28 or after that date.