

Senate File 207 - Introduced

SENATE FILE 207

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A BILL FOR

1 An Act exempting federal retirement pay received for military
2 service from the state individual income tax and including
3 retroactive applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 422.7, Code 2013, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 31A. *a.* Subtract, to the extent included,
4 retirement pay received by the taxpayer from the federal
5 government for military service performed in the armed forces,
6 the armed forces military reserve, or national guard.

7 *b.* The exclusion of retirement pay under this subsection is
8 in addition to any exclusion provided under subsection 31.

9 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies
10 retroactively to January 1, 2013, for tax years beginning on
11 or after that date.

12 EXPLANATION

13 This bill exempts from the individual income tax all
14 retirement pay from federal military service in the armed
15 forces, the military reserve, or national guard. The exemption
16 is in addition to the general pension exclusion.

17 The bill applies retroactively to January 1, 2013, for tax
18 years beginning on or after that date.