

Senate File 314 - Introduced

SENATE FILE 314

BY McCOY and ZAUN

A BILL FOR

1 An Act providing an income tax checkoff for type 1 diabetes
2 research and making an appropriation.

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

1 Section 1. NEW SECTION. 135.39D **Type 1 diabetes research**
2 **fund.**

3 1. A type 1 diabetes research fund is created in the state
4 treasury under the control of the department with the goal
5 of improving the health of the citizens of Iowa by promoting
6 and supporting research to cure, treat, and prevent type
7 1 diabetes, also known as juvenile diabetes. The fund is
8 composed of moneys transferred to the fund as provided in
9 section 422.12I. Section 8.33 does not apply to moneys in the
10 fund.

11 2. Moneys in the fund are appropriated, and shall be used,
12 to provide grants to nonprofit organizations in Iowa that
13 support or engage in research to cure, treat, and prevent type
14 1 diabetes. In awarding grants, the department shall give
15 priority to those organizations with a mission and purpose the
16 same as or substantially similar to that of JDRF International,
17 also known as the Juvenile Diabetes Research Foundation
18 International. However, before a grant is awarded to a
19 nonprofit organization pursuant to this section, the director
20 shall ensure that it meets all the following criteria:

21 a. The organization qualifies under section 501(c)(3) of the
22 Internal Revenue Code as an organization exempt from federal
23 income tax under section 501(a) of the Internal Revenue Code.

24 b. The organization is in good standing and licensed to
25 do business in this state and, if different, in its state of
26 incorporation.

27 c. The organization is not currently delinquent in filing
28 any tax return with this state and does not have delinquent
29 accounts, charges, fees, loans, taxes, or other indebtedness
30 owed to this state or a political subdivision of this state.

31 Sec. 2. NEW SECTION. 422.12I **Income tax checkoff for type 1**
32 **diabetes research fund.**

33 1. A person who files an individual or a joint income tax
34 return with the department of revenue under section 422.13 may
35 designate one dollar or more to be paid to the type 1 diabetes

1 research fund created in section 135.39D. If the refund due
2 on the return or the payment remitted with the return is
3 insufficient to pay the additional amount designated by the
4 taxpayer to the type 1 diabetes research fund, the amount
5 designated shall be reduced to the remaining amount remitted
6 with the return. The designation of a contribution to the type
7 1 diabetes research fund under this section is irrevocable.

8 2. The director of revenue shall draft the income tax
9 form to allow the designation of contributions to the type 1
10 diabetes research fund on the tax return. The department of
11 revenue, on or before January 31, shall transfer the total
12 amount designated on the tax return forms due in the preceding
13 calendar year to the type 1 diabetes research fund.

14 3. The department of revenue shall adopt rules to administer
15 this section.

16 4. This section is subject to repeal under section 422.12E.

17 EXPLANATION

18 This bill provides that taxpayers filing individual income
19 tax returns will be allowed to designate \$1 or more on the
20 return to be paid to the type 1 diabetes research fund. The
21 bill creates the type 1 diabetes research fund in the state
22 treasury under the control of the department of public health.
23 The bill requires the department of revenue to annually remit
24 moneys collected from the checkoff to the fund. Moneys in the
25 fund are appropriated to the department of health to provide
26 grants to nonprofit organizations in Iowa that support or
27 engage in research to cure, treat, and prevent type 1 diabetes.
28 The department of health is required to give priority to
29 organizations with a mission and purpose the same as or
30 substantially similar to that of JDRF International (Juvenile
31 Diabetes Research Foundation International).

32 However, before the department of public health makes
33 any grant to an organization, it shall ensure that it is a
34 qualified 501(c)(3) nonprofit organization exempt from federal
35 income tax under section 501(a) of the Internal Revenue Code,

1 that the organization is in good standing and licensed to
2 do business in this state and, if different, its state of
3 incorporation, and that the organization is not currently
4 delinquent in filing any tax return with this state and
5 does not have delinquent accounts, charges, fees, loans,
6 taxes, or other indebtedness owed this state or its political
7 subdivisions.

8 The bill provides for the implementation of the checkoff
9 according to Code section 422.12E, which allows no more
10 than four checkoffs on the individual income tax return form
11 and provides for the automatic repeal of the two checkoffs
12 receiving the least in contributions over a two-year period.