

House File 594 - Introduced

HOUSE FILE 594

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A BILL FOR

1 An Act providing for an Iowa individual income tax checkoff
2 for the reduction of food insecurity within this state
3 and making an appropriation and including retroactive
4 applicability provisions.

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

1 Section 1. NEW SECTION. 231.67 Iowa check off hunger fund.

2 1. An Iowa check off hunger fund is created in the state
3 treasury under the control of the department. The fund is
4 composed of moneys appropriated or available to and obtained
5 or accepted by the treasurer of state for deposit in the fund.
6 The fund shall include moneys transferred to the fund as
7 provided in section 422.12I. Notwithstanding section 12C.7,
8 subsection 2, interest or earnings on moneys in the fund shall
9 be credited to and remain in the fund. Section 8.33 does not
10 apply to moneys in the fund.

11 2. Moneys in the fund are appropriated to the department
12 to provide grants to persons to be used for the purpose of
13 reducing food insecurity within the state. The grants shall
14 be awarded as follows:

15 a. Forty percent of the moneys in the fund shall be
16 awarded to a nonprofit, tax-exempt association, chosen by the
17 department, that receives donations under section 170 of the
18 Internal Revenue Code and whose members include Iowa food
19 banks and their affiliates that together serve all counties
20 in the state, to be used to purchase food for distribution to
21 food-insecure Iowans.

22 b. Fifty percent of the moneys in the fund shall be awarded
23 to each area agency on aging designated under section 231.32 in
24 the proportion that the estimated amount of older individuals
25 in Iowa served by that area agency on aging bears to the
26 total estimated amount of older individuals in Iowa, to be
27 used to provide congregate meals and home-delivered meals to
28 food-insecure older individuals in Iowa.

29 c. Ten percent of the moneys in the fund shall be awarded to
30 persons who are using innovative ways to reduce food insecurity
31 in this state. To be eligible to receive a grant pursuant to
32 this paragraph "c", a person shall apply to the department
33 in the manner prescribed by the department. In reviewing
34 applications and making grants pursuant to this paragraph "c",
35 the department may consider any factors the department deems

1 appropriate.

2 3. The department shall adopt rules to administer the Iowa
3 check off hunger fund.

4 Sec. 2. Section 422.12E, subsection 1, Code 2015, is amended
5 to read as follows:

6 1. For tax years beginning on or after January 1, 2004,
7 there shall be allowed no more than four income tax return
8 checkoffs on each income tax return. When the same four income
9 tax return checkoffs have been provided on the income tax
10 return for two consecutive years, the two checkoffs for which
11 the least amount has been contributed, in the aggregate for the
12 first tax year and through March 15 of the second tax year, are
13 repealed. This section does not apply to the income tax return
14 ~~checkoff~~ checkoffs provided in ~~section~~ sections 68A.601 and
15 422.12I.

16 Sec. 3. NEW SECTION. 422.12I **Income tax checkoff for Iowa**
17 **check off hunger fund.**

18 1. A person who files an individual or a joint income tax
19 return with the department of revenue under section 422.13
20 may designate one dollar or more to be paid to the Iowa check
21 off hunger fund created in section 231.67. If the refund
22 due on the return or the payment remitted with the return
23 is insufficient to pay the additional amount designated by
24 the taxpayer to the Iowa check off hunger fund, the amount
25 designated shall be reduced to the remaining amount of
26 refund or the remaining amount remitted with the return. The
27 designation of a contribution to the Iowa check off hunger fund
28 under this section is irrevocable.

29 2. The director of revenue shall draft the income tax
30 form to allow the designation of contributions to the Iowa
31 check off hunger fund on the tax return. The department
32 of revenue, on or before January 31, shall transfer the
33 total amount designated on the tax return forms due in the
34 preceding calendar year to the Iowa check off hunger fund.
35 However, before a checkoff pursuant to this section shall be

1 permitted, all liabilities on the books of the department of
2 administrative services and accounts identified as owing under
3 section 8A.504 and the political contribution allowed under
4 section 68A.601 shall be satisfied.

5 3. The department on aging may authorize payment of moneys
6 from the Iowa check off hunger fund, in accordance with section
7 231.67.

8 4. The department of revenue shall adopt rules to administer
9 this section.

10 Sec. 4. RETROACTIVE APPLICABILITY. This Act applies
11 retroactively to January 1, 2015, for tax years beginning on
12 or after that date.

13 EXPLANATION

14 The inclusion of this explanation does not constitute agreement with
15 the explanation's substance by the members of the general assembly.

16 This bill provides that taxpayers filing individual income
17 tax returns will be allowed to designate \$1 or more on the
18 return to be paid to the Iowa check off hunger fund. The bill
19 creates the Iowa check off hunger fund in the state treasury
20 under the control of the department on aging. The bill
21 requires the department of revenue to annually remit moneys
22 collected from the checkoff to the fund. Moneys in the fund
23 are appropriated to the department on aging and shall be used
24 to provide grants to specified entities and other persons to be
25 used for the purpose of reducing food insecurity in the state.
26 The bill provides rules for the distribution of the grants.
27 Forty percent of the moneys in the fund are required to be
28 awarded to a nonprofit association, chosen by the department
29 on aging, whose members include Iowa food banks and their
30 affiliates that together serve all counties in the state, to be
31 used to purchase food for distribution to food-insecure Iowans.
32 Fifty percent of the moneys in the fund are required to be
33 awarded to each area agency on aging designated under Code
34 section 231.32 in the proportion that the estimated amount of
35 older individuals in Iowa served by that area agency on aging

1 bears to the total estimated amount of older individuals in
2 Iowa, to be used to provide congregate meals and home-delivered
3 meals to food-insecure individuals in Iowa. Ten percent of the
4 moneys in the fund are required to be awarded to persons who
5 are using innovative ways to reduce food insecurity in this
6 state and who make an application to the department on aging
7 for such a grant.

8 The bill provides that the checkoff is not subject to Code
9 section 422.12E. Code section 422.12E allows no more than four
10 checkoffs on the individual tax return form and provides for
11 the automatic repeal of the two checkoffs receiving the least
12 in contributions over a two-year period.

13 The bill applies retroactively to January 1, 2015, for tax
14 years beginning on or after that date.