

House Study Bill 657 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON SANDS)

A BILL FOR

1 An Act relating to the income tax checkoffs for the Iowa
2 state fair foundation fund and the veterans trust fund and
3 volunteer fire fighter preparedness fund, and including
4 retroactive applicability provisions.

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

1 Section 1. NEW SECTION. 422.12D Income tax checkoff for the
2 Iowa state fair foundation fund.

3 1. A person who files an individual or a joint income tax
4 return with the department of revenue under [section 422.13](#)
5 may designate one dollar or more to be paid to the foundation
6 fund of the Iowa state fair foundation as established in
7 section 173.22. If the refund due on the return or the payment
8 remitted with the return is insufficient to pay the amount
9 designated by the taxpayer to the foundation fund, the amount
10 designated shall be reduced to the remaining amount of the
11 refund or the remaining amount remitted with the return. The
12 designation of a contribution to the foundation fund under this
13 section is irrevocable.

14 2. The director of revenue shall draft the income tax form
15 to allow the designation of contributions to the foundation
16 fund on the tax return. The department, on or before January
17 31, shall transfer the total amount designated on the tax
18 form due in the preceding year to the foundation fund.
19 However, before a checkoff pursuant to [this section](#) shall be
20 permitted, all liabilities on the books of the department of
21 administrative services and accounts identified as owing under
22 section 8A.504 and the political contribution allowed under
23 section 68A.601 shall be satisfied.

24 3. The Iowa state fair board may authorize payment from
25 the foundation fund for purposes of supporting foundation
26 activities.

27 4. The department of revenue shall adopt rules to implement
28 this section.

29 5. This section is subject to repeal under section 422.12E.

30 Sec. 2. NEW SECTION. 422.12L Joint income tax checkoff for
31 veterans trust fund and volunteer fire fighter preparedness fund.

32 1. A person who files an individual or a joint income tax
33 return with the department of revenue under [section 422.13](#) may
34 designate one dollar or more to be paid jointly to the veterans
35 trust fund created in [section 35A.13](#) and to the volunteer fire

1 fighter preparedness fund created in [section 100B.13](#). If the
2 refund due on the return or the payment remitted with the
3 return is insufficient to pay the additional amount designated
4 by the taxpayer, the amount designated shall be reduced to the
5 remaining amount of refund or the remaining amount remitted
6 with the return. The designation of a contribution under this
7 section is irrevocable.

8 2. The director of revenue shall draft the income tax form
9 to allow the designation of contributions to the veterans trust
10 fund and to the volunteer fire fighter preparedness fund as
11 one checkoff on the tax return. The department of revenue,
12 on or before January 31, shall transfer one-half of the total
13 amount designated on the tax return forms due in the preceding
14 calendar year to the veterans trust fund and the remaining
15 one-half to the volunteer fire fighter preparedness fund.
16 However, before a checkoff pursuant to [this section](#) shall be
17 permitted, all liabilities on the books of the department of
18 administrative services and accounts identified as owing under
19 section 8A.504 and the political contribution allowed under
20 section 68A.601 shall be satisfied.

21 3. The department of revenue shall adopt rules to administer
22 this section.

23 4. [This section](#) is subject to repeal under [section 422.12E](#).

24 Sec. 3. REPEAL. Sections 422.12D and 422.12L, Code 2016,
25 are repealed.

26 Sec. 4. RETROACTIVE APPLICABILITY. This Act applies
27 retroactively to January 1, 2016, for tax years beginning on
28 or after that date.

29

EXPLANATION

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

32 This bill relates to the income tax checkoffs for the Iowa
33 state fair foundation and the veterans trust fund and volunteer
34 fire fighter preparedness fund.

35 Code section 422.12E limits to four the number of income tax

1 checkoffs that can appear on the income tax return. When the
2 same four income tax return checkoffs have been provided on the
3 income tax return for two consecutive years, the two checkoffs
4 for which the least amount has been contributed through March
5 15 of the second tax year are repealed. As a result, the Iowa
6 state fair foundation and the veterans trust fund and volunteer
7 fire fighter preparedness fund checkoffs are scheduled to be
8 removed from the income tax return form after the 2015 tax
9 year.

10 The bill reenacts as new the checkoffs for both the Iowa
11 state fair foundation and the veterans trust fund and volunteer
12 fire fighter preparedness fund.

13 The bill applies retroactively to January 1, 2016, for tax
14 years beginning on or after that date.