

Senate File 2014 - Introduced

SENATE FILE 2014
BY LOFGREN

A BILL FOR

1 An Act providing an individual income tax credit to parents of
2 stillborn children, and including retroactive applicability
3 provisions.

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

1 Section 1. Section 422.12, subsection 2, Code 2018, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. e. A stillbirth tax credit equal to one
4 thousand dollars for each stillbirth that occurs during a tax
5 year if all of the following requirements are satisfied:

6 (1) The taxpayer obtained a certificate of birth resulting
7 in stillbirth pursuant to section 144.31A with respect to the
8 stillbirth or, if the stillbirth occurred outside the state but
9 the taxpayer is a resident, the taxpayer obtained sufficient
10 documentation of the stillbirth from the jurisdiction where
11 the stillbirth occurred. For purposes of this subparagraph,
12 "*sufficient documentation*" shall be defined by rule adopted
13 by the Iowa department of public health, and may include but
14 is not limited to similar state certificates or physician
15 certifications.

16 (2) Had the stillbirth not occurred, the child would have
17 been eligible to be claimed as a dependent by the taxpayer.

18 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies
19 retroactively to January 1, 2018, for tax years beginning on
20 or after that date.

21

EXPLANATION

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

24 This bill provides an individual income tax credit equal
25 to \$1,000 for parents of a stillborn child who experience
26 a stillbirth during the tax year. To qualify for the tax
27 credit, the taxpayer must meet certain requirements. First,
28 the taxpayer must have been eligible, had the stillbirth not
29 occurred, to claim the child as a dependent under the Internal
30 Revenue Code. Second, the taxpayer must obtain a certificate
31 of birth resulting in stillbirth from the Iowa department of
32 public health (department). If the stillbirth occurs outside
33 Iowa but the taxpayer is an Iowa resident, the taxpayer must
34 obtain other sufficient documentation of the stillbirth.
35 The bill requires the department to define "*sufficient*

1 documentation" by rule.

2 The tax credit is nonrefundable and any credit in excess of
3 the taxpayer's tax liability shall not be carried forward to
4 another year.

5 The bill applies retroactively to January 1, 2018, for tax
6 years beginning on or after that date.