

**House File 2230 - Introduced**

HOUSE FILE 2230

BY FRY

**A BILL FOR**

1 An Act exempting from the individual income tax the value  
2 of medical care provided by a medical care provider  
3 to a patient in this state and including applicability  
4 provisions.

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

1 Section 1. Section 422.7, Code 2020, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 59. *a.* A medical care provider may  
4 subtract the value of medical care donated to a patient in this  
5 state.

6 *b.* As used in this subsection:

7 (1) "*Medical care*" means the care necessary for the purpose  
8 of preventing, alleviating, curing, or healing human physical  
9 or mental illness, injury, or disability.

10 (2) "*Medical care provider*" means the same as "*health care*  
11 *provider*" as defined in section 135.24.

12 (3) "*Value of medical care*" shall be the product of the  
13 average hourly wage of a medical care provider based upon a  
14 compensation survey by the American medical association or  
15 an equivalent organization for the geographic area where the  
16 medical care occurred, multiplied by the number of hours of  
17 medical care donated in a year.

18 Sec. 2. APPLICABILITY. This Act applies to tax years  
19 beginning on or after January 1, 2021.

20 EXPLANATION

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

23 This bill permits a medical care provider to exempt from the  
24 individual income tax the value of medical care donated to a  
25 patient in this state.

26 The bill defines "medical care" and "medical care provider".

27 The bill defines "value of medical care" to mean the product  
28 of the average hourly wage of a medical care provider based  
29 upon a compensation survey by the American medical association  
30 or an equivalent organization for the geographic area where the  
31 medical care occurred, multiplied by the number of hours of  
32 medical care donated in a year.

33 The bill applies to tax years beginning on or after January  
34 1, 2021.