

House File 2482 - Introduced

HOUSE FILE 2482

BY WILSON

A BILL FOR

1 An Act exempting from state income tax income received by
2 a certified public accountant performing certain audits
3 or examinations of governmental subdivisions, and including
4 retroactive applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 11.6, subsection 2, Code 2026, is amended
2 to read as follows:

3 2. a. A governmental subdivision contracting with certified
4 public accountants shall do so in a reasonable manner on the
5 basis of competence and qualification for the services required
6 and for a fair and reasonable price utilizing procedures which
7 include a written request for proposals.

8 b. Income received by a certified public accountant
9 performing an audit or examination of a governmental subdivision
10 pursuant to this section shall be exempt from taxation under
11 section 422.7 or 422.33, as applicable.

12 Sec. 2. Section 422.7, Code 2026, is amended by adding the
13 following new subsection:

14 NEW SUBSECTION. 46. Subtract, to the extent included, income
15 received by a certified public accountant performing an audit
16 or examination of a governmental subdivision pursuant to section
17 11.6.

18 Sec. 3. Section 422.35, Code 2026, is amended by adding the
19 following new subsection:

20 NEW SUBSECTION. 14. Subtract, to the extent included, income
21 received by a certified public accountant performing an audit
22 or examination of a governmental subdivision pursuant to section
23 11.6.

24 Sec. 4. RETROACTIVE APPLICABILITY. This Act applies
25 retroactively to January 1, 2026, for tax years beginning on or
26 after that date.

27 **EXPLANATION**

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

30 This bill exempts from state income tax under Code sections
31 422.7 (individual) and 422.35 (corporate), as applicable, income
32 received by a certified public accountant performing an audit
33 or examination of a governmental subdivision under Code section
34 11.6.

35 The bill applies retroactively to tax years beginning on or

1 after January 1, 2026.

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