

**Senate File 2183 - Introduced**

SENATE FILE 2183  
BY SINCLAIR and DICKEY

**A BILL FOR**

1 An Act providing for the Iowa individual income tax checkoff  
2 for public schools and the public school checkoff fund,  
3 making appropriations, and providing for implementation of the  
4 checkoff on the return.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. **257.52 Public school checkoff fund**  
2 **— appropriation.**

3 1. A public school fund is created in the state treasury  
4 under the control of the department of management. The fund  
5 is composed of moneys appropriated or available to and obtained  
6 or accepted by the treasurer of state for deposit in the fund.  
7 The fund shall include moneys transferred to the fund pursuant  
8 to an income tax checkoff provided in chapter 422, subchapter  
9 II, if applicable. Notwithstanding section 12C.7, subsection 2,  
10 interest earned on moneys in the fund shall be credited to and  
11 remain in the fund. Section 8.33 does not apply to moneys in the  
12 fund.

13 2. There is appropriated from the fund to the department of  
14 management for the fiscal year beginning July 1, 2027, and for  
15 each fiscal year thereafter, any moneys available in the fund to  
16 make the payments to school districts required under subsection  
17 3.

18 3. The moneys appropriated to the department of management  
19 under this section shall be used to provide a funding supplement  
20 to each school district for the fiscal year beginning July 1,  
21 2027, and for each fiscal year thereafter. The moneys available  
22 in a fiscal year in the fund shall be distributed by the  
23 department of management to each school district on a per pupil  
24 basis calculated using each school district's budget enrollment,  
25 as defined in section 257.6, for that fiscal year.

26 4. The moneys received by a school district shall be  
27 miscellaneous income, shall be deposited in the general fund of  
28 the school district, may be used for any school general fund  
29 purpose during any school budget year beginning on or after July  
30 1, 2027, and shall not be included in district cost.

31 Sec. 2. NEW SECTION. **422.12M Income tax checkoff for public**  
32 **schools**

33 1. A person who files an individual or a joint income tax  
34 return with the department of revenue under section 422.13 may  
35 designate one dollar or more to be paid to public schools to be

1 distributed pursuant to section 257.52. If the refund due on the  
2 return or the payment remitted with the return is insufficient  
3 to pay the additional amount designated by the taxpayer to the  
4 public schools, the amount designated shall be reduced to the  
5 remaining amount remitted with the return. The designation of a  
6 contribution to public schools under this section is irrevocable.

7 2. The director of revenue shall draft the income tax form  
8 to allow the designation of contributions to public schools  
9 on the tax return. The department of revenue, on or before  
10 January 31, shall transfer the total amount designated on the tax  
11 return forms due in the preceding calendar year to the public  
12 school checkoff fund as provided in section 257.52. However,  
13 before a checkoff pursuant to this section shall be permitted,  
14 all liabilities on the books of the department and accounts  
15 identified as owing under section 421.65 shall be satisfied.

16 3. The department of revenue shall adopt rules to administer  
17 this section.

18 4. This section is subject to repeal under section 422.12E.

19 Sec. 3. IMPLEMENTATION. The checkoff created in this Act  
20 shall be eligible for placement on the individual income tax  
21 return form for the tax year beginning January 1, 2026.

22 EXPLANATION

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

25 This bill provides that taxpayers filing individual income tax  
26 returns will be allowed to designate \$1 or more on the return  
27 to be paid to the public school checkoff fund. The bill creates  
28 the public school checkoff fund in the state treasury under the  
29 control of the department of management (DOM). The bill requires  
30 the department of revenue to annually remit moneys collected from  
31 the checkoff to the fund. For the fiscal year beginning July  
32 1, 2027, and each fiscal year thereafter, moneys available in  
33 the fund are appropriated to DOM to be used to provide a funding  
34 supplement to each school district during the fiscal year. The  
35 moneys shall be distributed by DOM to each school district on a

1 per pupil basis calculated using each school district's budget  
2 enrollment as defined in Code section 257.6. The moneys received  
3 by a school district from the checkoff shall be considered  
4 miscellaneous income and may be used for any general fund purpose  
5 and shall not be included in district cost.

6 The bill provides that the checkoff is eligible for placement  
7 on the individual tax return form for the tax year beginning  
8 January 1, 2026, and that it is subject to repeal under Code  
9 section 422.12E, which allows no more than four checkoffs on the  
10 individual tax return form and provides for the automatic repeal  
11 of the two checkoffs receiving the least in contributions over a  
12 two-year period. Currently, there are two checkoffs that appear  
13 on the individual income tax return: the checkoff for the fish  
14 and game protection fund and the checkoff for the child abuse  
15 prevention program fund.

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