

CHAPTER 43

INCOME TAX OF MILITARY PERSONNEL

S. F. 3

AN ACT to amend subsection two (2) of section six thousand nine hundred forty-three and forty thousandths (6943.040), code, 1939, relating to exemption from personal net income tax of members of the armed forces of the United States and those who have died as a result of service in the armed forces of the United States, and to provide for refunds to eligible persons who have paid state individual income tax during the period covered by this act.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Subsection two (2) of section six thousand nine hundred
2 forty-three and forty thousandths (6943.040), Code, 1939, is amended
3 by adding the following subsections:

4 h. The first two thousand dollars (\$2,000) of compensation from the
5 federal government each year to any person in the armed forces of
6 the United States for military services performed during the period
7 beginning with the calendar year opening January 1, 1941 and con-
8 tinuing for six (6) months after the termination of World War II.
9 There shall also be exempt from the gross income of any such person
10 subsistence or dependency allowances made either to him or his
11 dependents by the government of the United States as a result of his
12 services in the armed forces, and any payments received by him in
13 the form of pensions, disability allowances or for rehabilitation or
14 educational purposes arising from his service. This exemption shall
15 be in addition to the two thousand dollars (\$2,000) exempt by reason
16 of compensation for services rendered and shall not be terminated
17 upon his discharge from service.

18 i. Compensation of all kinds received by or payable to any person
19 by reason of service in the armed forces of the United States from the
20 period beginning January 1, 1941, who shall die while a member of
21 the armed forces of the United States during World War II.

1 SEC. 2. The State Tax Commission shall have the power to make
2 refunds to persons affected by the provisions of subsections h. and i. of
3 subsection two (2), section six thousand nine hundred forty-three and
4 forty thousandths (6943.040), Code, 1939, as provided by this act,
5 who have paid state individual income tax during the period covered
6 by this act, which payments would be reduced or annulled through the
7 application of these subsections. Such refunds shall be granted under
8 such rules and regulations as the State Tax Commission may provide.
9 Claims for such refunds shall not be barred by the provisions
10 of section six thousand nine hundred forty-three and ninety-seven
11 thousandths (6943.097), as amended by chapter two hundred thirty-
12 six (236), Acts of the Forty-ninth General Assembly.

1 SEC. 3. This act being deemed of immediate importance shall be
2 in full force and effect from and after its publication in the Madrid
3 Register-News, a newspaper published at Madrid, Iowa, and in the
4 Iowa Bystander, a newspaper published at Des Moines, Iowa.

Approved March 19, 1945.

I hereby certify that the foregoing act was published in the Madrid Register-News, Madrid, Iowa, March 29, 1945, and the Iowa Bystander, Des Moines, Iowa, March 29, 1945.

WAYNE M. ROPES, *Secretary of State.*