

1 SEC. 2. Section four hundred twenty-two point forty-five (422.45),
 2 Code 1962, is further amended by inserting after the word "thereof"
 3 in line three (3) of subsection (6) the following: "including the
 4 state board of regents, board of control of state institutions, state
 5 highway commission, and all divisions, boards, commissions, agencies
 6 or instrumentalities of state, federal, county or municipal govern-
 7 ment which derive disburseable funds from appropriations or allot-
 8 ments of funds raised by the levying and collection of taxes."

1 SEC. 3. The refunds provided in the preceding section two (2)
 2 shall be retroactive and apply to any applications for refund now on
 3 file with the state tax commission, or hereafter filed therewith for
 4 projects now in process, upon which sales or use taxes are paid prior
 5 to the taking effect of this Act. Any of the above-mentioned govern-
 6 mental bodies or subdivisions thereof shall be entitled to a refund of
 7 such taxes so paid upon making application to the state tax commis-
 8 sion therefor.

1 SEC. 4. This Act being deemed of immediate importance shall be
 2 in full force and effect from and after its publication in the Cedar
 3 Rapids Gazette, a newspaper published at Cedar Rapids, Iowa, and
 4 The Mount Vernon Hawkeye-Record & The Lisbon Herald, a news-
 5 paper published at Mount Vernon, Iowa.

Approved May 16, 1963.

I hereby certify that the foregoing Act, Senate File 127, was published in the Cedar Rapids Gazette, Cedar Rapids, Iowa, May 20, 1963, and in The Mount Vernon Hawkeye-Record & The Lisbon Herald, Mount Vernon, Iowa, May 23, 1963.

MELVIN D. SYNHORST, *Secretary of State.*

CHAPTER 265

SALES AND USE TAX PENALTIES

H. F. 401

AN ACT relating to penalties for failure to file a sales or use tax return or failure to pay sales or use tax within the time required.

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

1 SECTION 1. Section four hundred twenty-two point fifty-four
 2 (422.54), Code 1962, is hereby amended by adding to the beginning of
 3 said section the following:
 4 "1. As soon as practicable after a return is filed and in any event
 5 within five years after the return is filed the commission shall examine
 6 it, assess and determine the tax due if the return is found to be incor-
 7 rect and give notice to the taxpayer of such assessment and determina-
 8 tion as provided in subsection two (2) hereof. If the determination
 9 that a return is incorrect is the result of an audit of the books and
 10 records of the taxpayer, the tax, or additional tax, if any is found due,

11 shall be assessed and determined and the aforesaid notice to the tax-
12 payer shall be given by the commission within one year after the com-
13 pletion of the examination of said books and records."

14 Further amend said section by inserting before the word "If" in line
15 one (1) the figure "2."

1 SEC. 2. Section four hundred twenty-two point fifty-eight (422.58),
2 Code 1962, is hereby amended as follows:

3 1. By striking the word "a" in line four (4) and inserting in lieu
4 thereof the words "an interest".

5 2. By inserting after the word "plus" in line five (5) the words "one-
6 half of".

7 3. By inserting after the word "due" in line eight (8) the following:
8 ", and excepting the period between the completion of an examina-
9 tion of the books and records of a taxpayer and the giving of notice to
10 the taxpayer that a tax or additional tax is due".

11 4. By inserting after the word "such" in line ten (10) the word
12 "interest".

13 5. By inserting after the word "Such" in line eleven (11) the word
14 "interest".

15 6. By inserting after the word "Unpaid" in line thirteen (13) the
16 word "interest".

1 SEC. 3. Section four hundred twenty-three point sixteen (423.16),
2 Code 1962, is hereby amended by adding thereto the following:

3 "Where a return required by this chapter has been filed, the five-
4 year period of limitation specified in subsection one (1) of section four
5 hundred twenty-two point fifty-four (422.54) shall apply to the making
6 of a determination by the commission of the amount of tax due here-
7 under and to the giving of notice to the taxpayer of such determina-
8 tion."

1 SEC. 4. Section four hundred twenty-three point eighteen (423.18),
2 Code 1962, is hereby amended as follows:

3 1. By striking the word "a" in line five (5) and inserting in lieu
4 thereof the words "an interest".

5 2. By inserting after the word "plus" in line six (6) the words "one-
6 half of".

7 3. By inserting after the word "due" in line ten (10) the following:
8 ", and excepting the period between the completion of an examina-
9 tion of the books and records of a taxpayer and the giving of notice
10 to the taxpayer that a tax or additional tax is due".

11 4. By inserting after the word "such" in line twelve (12) the word
12 "interest".

13 5. By inserting after the word "Such" in line thirteen (13) the word
14 "interest".

15 6. By inserting after the word "Unpaid" in line fifteen (15) the word
16 "interest".

Approved April 29, 1963.