

States Code, section 101, for more than six continuous months, shall not include any income received for such service performed on or after January 1, 1969, or prior to January 1, 1977, in computing the tax imposed by this section.

The taxes imposed under this Act shall be terminated upon either of two conditions:

1. When universal compulsory military service is reinstated by the United States Congress, or

2. When a state of war is declared to exist by the United States Congress.

Sec. 2. The provisions of this Act shall be retroactive to January 1, 1977, for tax years beginning on or after January 1, 1977, and to this extent the provisions of this Act are retroactive.

Sec. 3. This Act, being deemed of immediate importance, shall take effect and be in force from and after its publication in The Winterset Madisonian, a newspaper published in Winterset, Iowa, and in The Decorah Journal, a newspaper published in Decorah, Iowa.

Approved March 14, 1977

I hereby certify that the foregoing Act, Senate File 61, was published in The Winterset Madisonian, Winterset, Iowa on March 16, 1977, and in The Decorah Journal, Decorah, Iowa on March 17, 1977.

MELVIN D. SYNHORST, *Secretary of State*

## CHAPTER 121

### TAX LIENS

S. F. 314

AN ACT relating to the filing and extending of tax liens and the charging off of the underlying delinquent tax accounts.

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

Section 1. Section four hundred twenty-two point twenty-six (422.26), unnumbered paragraph two (2), Code 1977, is amended to read as follows:

The lien aforesaid shall attach at the time the tax becomes due and payable and shall continue ~~until the liability for such amount is satisfied~~ for ten years from the time the lien attaches unless sooner released or otherwise discharged. The lien may, within ten years from the date the lien attaches, be extended by filing for record a notice with the appropriate county official of any county and from the time of such filing,

the lien shall be extended to the property in such county for ten years, unless sooner released or otherwise discharged, with no limit on the number of extensions. Liens having attached prior to January 1, 1969, will expire on January 1, 1979, unless extended by the director of the department of revenue. The director shall charge off any account whose lien is allowed to lapse and may charge off any account and release the corresponding lien before the lien has lapsed if the director determines under uniform rules prescribed by the director that the account is uncollectable or collection costs involved would not warrant collection of the amount due.

Sec. 2. This Act is effective January 1, 1978.

Approved May 12, 1977

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## CHAPTER 122

### CORPORATE AND FINANCIAL INSTITUTION TAX

S. F. 140

AN ACT relating to the taxation of corporations and financial institutions to provide for the allocation of certain corporate income to this state for corporate income tax purposes, to require the filing of declarations of estimated tax and quarterly payments by corporations and financial institutions, creating a special reserve fund into which a portion of such payments are to be deposited, providing penalties, and making certain provisions of the Act retroactive.

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

Section 1. Section four hundred twenty-two point thirty-three (422.33), subsection one (1), unnumbered paragraph one (1), Code 1977, is amended to read as follows:

If the trade or business of the corporation is carried on entirely within the state or if the trade or business consists of the operation of a farm and the property is located entirely within the state, the tax shall be imposed on the entire net income, but if such trade or business is carried on partly within and partly without the state or if the trade or business consists of the operation of a farm and the property is located partly within and partly without the state, the tax shall be imposed only on the portion of the net income reasonably attributable to the trade or business