

**CHAPTER 8**  
**INDIVIDUAL INCOME TAX RATES**  
**H.F. 388**

**AN ACT** reducing the state individual income tax rates by ten percent and including an effective date provision.

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

Section 1. Section 422.5, subsection 1, paragraphs a through i, Code 1997, are amended to read as follows:

- a. On all taxable income from zero through one thousand dollars, ~~four-tenths~~ thirty-six hundredths of one percent.
- b. On all taxable income exceeding one thousand dollars but not exceeding two thousand dollars, ~~eight-tenths~~ seventy-two hundredths of one percent.
- c. On all taxable income exceeding two thousand dollars but not exceeding four thousand dollars, two and ~~seven-tenths~~ forty-three hundredths percent.
- d. On all taxable income exceeding four thousand dollars but not exceeding nine thousand dollars, ~~five~~ four and one-half percent.
- e. On all taxable income exceeding nine thousand dollars but not exceeding fifteen thousand dollars, six and ~~eight-tenths~~ twelve hundredths percent.
- f. On all taxable income exceeding fifteen thousand dollars but not exceeding twenty thousand dollars, ~~seven and two-tenths~~ six and forty-eight hundredths percent.
- g. On all taxable income exceeding twenty thousand dollars but not exceeding thirty thousand dollars, ~~seven and fifty-five hundredths~~ six and eight-tenths percent.
- h. On all taxable income exceeding thirty thousand dollars but not exceeding forty-five thousand dollars, ~~eight and eight-tenths~~ seven and ninety-two hundredths percent.
- i. On all taxable income exceeding forty-five thousand dollars, ~~nine~~ eight and ninety-eight hundredths percent.

Sec. 2. This Act takes effect January 1, 1998, and applies to tax years beginning on or after that date.

Approved March 27, 1997

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**CHAPTER 9**  
**REAL PROPERTY USED IN RACETRACK OPERATION**  
**H.F. 212**

**AN ACT** relating to the taxation of real property used in the operation of a racetrack or racetrack enclosure.

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

Section 1. Section 99D.2, subsection 8, Code 1997, is amended to read as follows:

8. "RACETRACK ENCLOSURE" means the grandstand, clubhouse, turf club or other areas of a licensed racetrack which a person may enter only upon payment of an admission fee, or upon payment by another, at any time, based upon the person's admittance, or upon presentation of authorized credentials. "Racetrack enclosure" also means any additional areas designated by the commission.