

FEB 9 2005  
WAYS AND MEANS

HOUSE FILE 230  
BY RAECKER

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act exempting from state income tax active duty pay received  
2 by members of the armed forces and providing a retroactive  
3 applicability date provision.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 230

1 Section 1. Section 422.7, Code 2005, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 44. Subtract, to the extent included,  
4 active duty pay received by a person as a member on active  
5 duty of the armed forces or as a member in the armed forces  
6 military reserve or national guard serving on active duty  
7 other than for training.

8 Sec. 2. RETROACTIVE APPLICABILITY DATE. This Act applies  
9 retroactively to January 1, 2005, for tax years beginning on  
10 or after that date.

11 EXPLANATION

12 This bill exempts active duty pay for members of the armed  
13 forces, armed forces military reserve, and national guard who  
14 serve on active duty other than for training.

15 The bill applies retroactively to January 1, 2005, for tax  
16 years beginning on or after that date.

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