

FEB 16 2005
WAYS AND MEANS

HOUSE FILE 333
BY HEATON

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to an individual income tax credit for certain
2 organ transplants and providing a retroactive applicability
3 date.

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

HF 333

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1 Section 1. NEW SECTION. 422.11K LIVE ORGAN TRANSPLANT
2 TAX CREDIT.

3 1. The taxes imposed under this division, less the credits
4 allowed under sections 422.12 and 422.12B, shall be reduced by
5 a live organ transplant tax credit. To be eligible for the
6 credit, the taxpayer shall, while living, devote one or more
7 of the taxpayer's organs to another human being for immediate
8 human organ transplantation. For purposes of this section,
9 "human organ" means all or part of a liver, pancreas, kidney,
10 intestine, lung, or bone marrow.

11 2. The live organ transplant tax credit equals the
12 following unreimbursed expenses, not to exceed ten thousand
13 dollars, incurred by the taxpayer and related to the
14 taxpayer's organ donation:

- 15 a. Travel expenses.
- 16 b. Lodging expenses.
- 17 c. Lost wages.

18 3. A taxpayer may only claim the tax credit under this
19 section once during the taxpayer's life. If the tax credit is
20 claimed, the expenses listed in subsection 2 shall not be
21 considered medical care expenses under section 213 of the
22 Internal Revenue Code for the same tax year for state tax
23 purposes.

24 4. Any credit in excess of the tax liability is
25 nonrefundable but may be credited to the tax liability for the
26 following ten years or until depleted, whichever is the
27 earlier.

28 Sec. 2. APPLICABILITY DATE. This Act applies
29 retroactively to January 1, 2005, for tax years beginning on
30 or after that date.

31 EXPLANATION

32 This bill allows a live organ transplant tax credit of up
33 to \$10,000 under the individual income tax. The tax credit
34 equals the unreimbursed expenses incurred by the taxpayer who,
35 while alive, donates all or part of a liver, pancreas, kidney,

1 intestine, lung, or bone marrow to another human. These
2 expenses are for travel, lodging, and lost wages. The credit
3 may be claimed only once and is nonrefundable. Any excess
4 credit may be carried forward for up to 10 years.

5 The bill applies retroactively to tax years beginning on or
6 after January 1, 2005.

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