

Reported Recommending
Ind. Postponed
Passed House
Failed to Pass House
Passed Senate
Failed to Pass Senate

House File 241

February 11, 1947.
Judiciary 1.

By HEDIN and SCHWENGEL.

A BILL FOR

An Act to amend section four hundred fifty point seven (450.7)
Code 1946, relating to the lien of inheritance taxes.

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

1 Section 1. Section four hundred fifty point seven
2 (450.7) is hereby amended by striking the first sentence of
3 said section and by inserting, in lieu thereof,
4 the following:
5 "The tax shall be and remain a legal charge against
6 and a lien upon such estate and all the property thereof from
7 the death of the decedent owner for a period of ten years;
8 provided that, in respect of such estates and property as to
9 no part of which any proceedings of administration or probate
10 shall have been had within the state of Iowa during five years
11 after the date of death of the decedent, such lien shall
12 continue for a period of twenty years from the death of the
13 decedent owner; provided further that, in respect of any
14 deferred estate or interest, in all cases in which payment of
15 tax shall be deferred, the lien of the tax upon the property
16 in which such deferred interest shall exist shall continue

17 until ten years shall have elapsed following the termination
18 of the next prior estate or interest.”

EXPLANATION OF H. F. 241

This bill would merely provide a reasonable limitation period for the lien of inheritance taxes. At present, there is no limitation. In the interest of security of titles in the hands of strangers to the tax some period should be provided. The period proposed is substantially the same as that for the United States death taxes. However, that period is proposed to be doubled in all cases where heirs of a decedent neglect to take out administration proceedings in court. Further, an additional adequate period is provided for those cases of life estates and remainder interests where under present law, payment of taxes can be deferred. (See Code section 450.47, et seq.) These proposed provisions are intended to give the State ample time to collect inheritance taxes and still provide a statute of repose in the general interest of innocent purchasers. It is to be noted that the State could still collect from the person actually owing the tax in any case in which the lien for the tax had expired, regardless of the provisions of this bill.