

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

Senate File 38

January 21, 1947.
Passed on File.

By BYERS and KEIR.

A BILL FOR

An Act providing for an emergency tax levied upon personal income; defining the conditions under which such tax may be levied; and providing that any revenue derived from the imposition of such emergency income tax shall be for the benefit of the general fund of the state of Iowa.

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

1 Section 1. An emergency tax is hereby imposed, effec-
2 tive as provided by this act, upon every resident of the
3 state and upon that part of the income of any non-resident
4 which is derived from any property, trust, or other source
5 within this state, including any business, trade, profession
6 or occupation carried on within the State, which tax shall
7 be levied, collected and paid annually upon and with respect
8 to his entire taxable income as herein defined at rates as
9 follows:

10 1. On the first one thousand dollars (\$1000) of tax-
11 able income, or any part thereof, one half (1/2) of one (1)
12 per cent.

13 2. On the second thousand dollars (\$2000) of taxable
14 income, or any part thereof, one (1) per cent.

15 3. On the third thousand dollars (\$3000) of taxable

16 income, or any part thereof, one and one-half per cent ($1\frac{1}{2}\%$).

17 4. On the fourth thousand dollars (\$4000) of taxable
18 income, or any part thereof, two per cent (2%).

19 5. On the fifth thousand dollars (\$5000) of taxable
20 income, or any part thereof, two and one-half per cent ($2\frac{1}{2}\%$).

1 Sec. 2. The tax thus imposed shall be collected by the
2 state tax commission in the same manner as the tax now imposed
3 by section four hundred twenty-two point five (422.5) of the
4 Code, and the provisions of Division 1, Chapter 422, Code
5 1946, relating to the computation, collection and adminis-
6 tration of the tax on individual incomes, shall apply to
7 the collection and administration of the emergency income tax
8 herein provided.

1 Sec. 3. In the collection of such emergency income tax
2 there shall be deducted from the tax after the same shall have
3 been computed as set forth in Division I., Chapter 422, Code
4 1946, personal exemptions as follows:

5 1. For a single individual, five dollars (\$5.00).

6 2. For husband and wife or head of a family, ten dollars
7 (\$10.00).

8 3. For each child under the age of twenty-one years who
9 is actually supported by and dependent upon the taxpayer for
10 his support, an additional two and one-half dollars (\$2.50).

11 4. For each actual dependent other than as specified
12 in subsection 3 of this section, the taxpayer may deduct the
13 sum of two and one-half dollars (\$2.50); or in lieu thereof

14 in the case of a father, mother or grandparent dependent upon
15 the taxpayer, the taxpayer in computing his net income may
16 make deduction therefrom of three hundred dollars (\$300) for
17 such dependent.

18 If the status of the taxpayer, insofar as it affects the
19 personal exemption or credit for dependents, changes during
20 the taxable year, the personal exemption and credit shall be
21 apportioned under rules and regulations prescribed by the
22 commission.

1 Sec. 4. The emergency income tax hereby provided shall
2 not be levied or collected unless it is determined by the
3 state executive council on or before November fifteenth (15th)
4 of any calendar year that an emergency exists which requires
5 the levy of an additional income tax collectible upon income
6 earned during the year ending on December 31 of such year and
7 upon income earned by individuals making returns upon any
8 fiscal year beginning during said year, such tax to be collect-
9 ible during the next calendar year to insure the payment of all
10 commitments or contingencies affecting the solvency and credit
11 of the state.

12 The state comptroller shall, when in his judgment it is
13 necessary, report to the executive council on or before the
14 twentieth (20th) day of July in any calendar year, that an
15 emergency exists in state financial conditions which will re-
16 quire the levying of a state general property tax as provided
17 by section eight point six (8.6) subsection thirteen (13),

18 Code, 1946, and the executive council shall under such conditions
19 certify to the state tax commission that the emergency tax
20 herein provided shall be made effective as provided in this
21 act. In the event that the amount of revenue to be derived
22 from such emergency income tax, as estimated by the state tax
23 commission, is sufficient to meet the needs of the emergency
24 as determined by the executive council, no levy shall be cer-
25 tified by the state comptroller for general state taxes as
26 provided in subsection thirteen (13) of section eight point
27 six (8.6) of the Code.

1 Sec. 5. It is the intent and purpose of this act that
2 no state levy upon property shall be made in any year for the
3 general state fund unless the proceeds of an emergency income
4 tax levy as herein provided shall be insufficient to meet
5 the financial needs of the state as determined by the comp-
6 troller and the executive council.

1 Sec. 6. The state tax commission shall have the
2 authority to collect the emergency income tax herein pro-
3 vided in the same manner as the regular income tax levied
4 as provided by Division I., Chapter 422, Code 1946, is
5 collected, and it shall have the authority to combine the
6 regular and the emergency income tax levies under a single
7 return form in such manner that both the emergency and the
8 regular levy may be computed as a whole in the most efficient
9 manner; but all proceeds from the emergency levy shall be
10 segregated and shall be credited by the state treasurer to the

11 general fund of the state as rapidly as they shall be re-
12 ceived.

1 Sec. 7. The provisions of this act shall apply to
2 incomes of all persons making a return on a fiscal year
3 basis when the fiscal year begins on a calendar year in
4 which said emergency levy is imposed and the tax thus im-
5 posed shall be collectible upon income for the fiscal year
6 beginning during such calendar year.