

March 15, 1951
Passed on File.

House File 604
By WAYS AND MEANS COMMITTEE

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

A BILL FOR

AN ACT to provide for the recognition and enforcement through action in the courts of this state of the liability for taxes imposed by the laws of another state; and to provide method of proof of authority of official of another state attempting to enforce collection of taxes due to such state; and to define the term "taxes" as used in this act.

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

1 Section 1. The courts of the state of Iowa shall recognize
2 and enforce the liability for taxes lawfully imposed by the laws
3 of any other state and the officials of such other state are
4 hereby authorized to bring action in the courts of this state
5 for the collection of such taxes, provided such other state
6 grants the same rights and privileges to Iowa. The certificate
7 of the secretary of state of such other state that such officials
8 have the authority to collect the taxes so to be collected by
9 such action shall be conclusive proof of that authority.

1 Sec. 2. The term "taxes" as used in this act shall include:

- 2 a. Any and all assessments lawfully made.
- 3 b. Any and all taxes (or contributions under an unemployment
4 compensation law or other contributions in the nature of a tax)
5 whether such taxes of contributions are assessed or not, and

6 licenses and fees.

7 c. Any and all penalties lawfully imposed pursuant to a
8 taxing statute.

9 d. Interest charges lawfully added to the tax liability
10 which constitutes the subject of the action.

EXPLANATION OF H. F. 604

This is a bill which would permit other states to sue in the courts of Iowa and to collect taxes against persons owing taxes to the sister state. The courts of the various states and the United States have held that the comity between the states could not be stretched to cover suits for taxes by a state in the courts of another state. This bill extends the privilege to sister states providing they extend the same courtesy to the state of Iowa. It is merely another remedy to aid in the collection of taxes which are justly due to the state. Several of the states now have this law, among which are Wisconsin, Missouri and Nebraska. The State Tax Commission approves this bill and recommends its passage.