

April 5, 1963. *Printing Committee 4/27*
Passed on File. *Calendar 4/5*

House File 579
By TAX REVISION COMMITTEE.

Passed House, Date *5-6-63* Passed Senate, Date *5-14-63*
Vote: Ayes *42* Nays *8* Vote: Ayes *47* Nays *0*
Approved *5-17-63*

Printing Com. Cal. 5/3

A BILL FOR

An Act to amend Chapter four hundred twenty-one (421), Code 1962, relating to reciprocal enforcement of tax liabilities.

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

- 1 Section 1. Chapter four hundred twenty-one (421), Code 1962,
- 2 is hereby amended by adding thereto the following sections:
- 3 1. "At the request of the tax commission the attorney general
- 4 may bring suit in the name of this state, in the appropriate court of
- 5 any other state to collect any tax legally due in this state, and any
- 6 political subdivision of this state or the appropriate officer thereof,
- 7 acting in its behalf, may bring suit in the appropriate court of any
- 8 other state to collect any tax legally due to such political
- 9 subdivision.
- 10 2. The courts of this state shall recognize and enforce liabilities
- 11 for taxes lawfully imposed by any other state, or any political
- 12 subdivision thereof, which extends a like comity to this state, and the
- 13 duly authorized officer of any such state or a political subdivision
- 14 thereof may sue for the collection of such tax in the courts of this
- 15 state. A certificate by the secretary of state of such other state
- 16 that an officer suing for the collection of such a tax is duly
- 17 authorized to collect the same shall be conclusive proof of such author-
18 ity.
- 19 3. For the purposes of this act, the words "tax" and "taxes"
- 20 shall include interest and penalties due under any taxing statute,
- and liability for such interest or penalties, or both, due under

- 21 a taxing statute of another state or a political subdivision thereof,
- 22 shall be recognized and enforced by the courts of this state to the
- 23 same extent that the laws of such other state permit the enforcement
- 24 in its courts of liability for such interest or penalties, or both,
- 25 due under a taxing statute of this state or a political subdivision
- 26 thereof."

EXPLANATION OF HOUSE FILE 579

The purpose of this act is to permit the State of Iowa to collect taxes due the State of Iowa from former residents of Iowa who have incurred a tax liability while residents and who have left the state without paying. Many states have enacted this type of legislation in order to be able to enforce their tax laws. Without this proposed act, the State of Iowa cannot go beyond the borders of the state to collect taxes legally due this state.

HOUSE FILE 579

- 1 Amend House File 579 as follows:
- 2 1. By adding to subsection three (3) of section 1 at the
- 3 end thereof the following: "The courts of this state may not
- 4 enforce interest rates or penalties on taxes of any other state
- 5 which exceed the interest rates and penalties imposed by the
- 6 State of Iowa for the same or similar tax."
- 7 2. By adding thereto the following new section:
- 8 "Sec. 2. The provisions of this Act shall be applicable only
- 9 to taxes which are assessed and due after January 1, 1964."

Filed, offered and deferred
April 29, 1963.

Adopted 5/6/63

FRAZIER of Lee.