

January 22, 1963.
Passed on File.
Agreement 1/23, Case 1/-

Withdrawn 2/25

Senate File 32
By ELVERS, ELIJAH, WALKER,
SCOTT, DODDS, ELTHON,
GRIMSTEAD and COLEMAN.

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

*House File 78
substituted 2/22*

A BILL FOR

An Act relating to the distribution of earnings of co-operative associations organized under chapter four hundred ninety-nine (499) of the Code.

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

- 1 Section 1. Section four hundred ninety-nine point thirty
- 2 (499.30), Code 1962, is amended by striking all of the last
- 3 paragraph and inserting in lieu thereof the following:
- 4 Notwithstanding the articles of incorporation of any
- 5 association now in effect, for each taxable year of the
- 6 association beginning after December 31, 1962, all remaining
- 7 net earnings shall be allocated to the account of each member,
- 8 including subscribers described in Section four hundred ninety-
- 9 nine point sixteen (499.16) ratably in proportion to the
- 10 business he had done with the association during such year.
- 11 The directors shall determine the amount of said allocation
- 12 that currently shall be paid in cash, provided that so long
- 13 as there are unpaid deferred patronage dividends for prior
- 14 years the amount currently payable in cash shall not exceed
- 15 twenty percent of said allocation. All said remaining alloca-
- 16 tion not so paid in cash shall be transferred to a revolving
- 17 fund and credited to said members and subscribers. Such
- 18 credits in the revolving fund are herein referred to as
- 19 deferred patronage dividends.