

February 26, 1963.

Passed on File.

*Ways and Means 2/26*

**Senate File 289**

By ELTHON, STEPHENS, VAN EATON,  
BENEKE, HANSEN, BURROWS, GETTING,  
ELVERS, ELIJAH, CURRAN, PHELPS,  
WILSON and WALTER.

Passed Senate, Date.....

Passed House, Date.....

Vote: Ayes..... Nays.....

Vote: Ayes..... Nays.....

Approved.....

**A BILL FOR**

An Act to repeal certain taxes on personal property and moneys and credits and to enact substitutes therefor in taxes on individual incomes, business taxes on corporations, sales taxes and excise taxes on the sales of property for use in Iowa.

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

1 Section 1. Section four hundred twenty-seven point one  
2 (427.1), Code 1962, is amended by adding a new subsection as  
3 follows:

4 "All other personal property not specifically enumerated  
5 herein."

1 Sec. 2. Section four hundred twenty-seven point thirteen  
2 (427.13), Code 1962, is hereby repealed and the following en-  
3 acted in lieu thereof:

4 "All other real property is subject to taxation in the man-  
5 ner prescribed."

1 Sec. 3. Section four hundred twenty-nine point two (429.2),  
2 Code 1962, is amended by striking from line nineteen (19) the  
3 words "five mills" and inserting in lieu thereof the words "one  
4 mill".

1 Sec. 4. Section four hundred twenty-nine point three (429.3),  
2 Code 1962, is hereby repealed and the following enacted in lieu  
3 thereof:

4 "The millage rate provided in section four hundred twenty-

5 nine point two (429.2) of the Code, as amended by this Act, shall  
6 be and is the same tax levied on section thirty-five B point  
7 eleven (35B.11) of the Code and shall not be levied in addition  
8 thereto. The tax collected on moneys and credits shall be re-  
9 mitted to the treasurer of state to be applied as provided by  
10 section thirty-five B point eleven (35B.11), of the Code.”

1 Sec. 5. There is hereby levied a tax of one and one-half  
2 percent on the adjusted gross income of every person who is re-  
3 quired by law to pay a net income tax to the state of Iowa.

4 “Adjusted gross income” shall mean the income as computed  
5 for federal income tax purposes under the Internal Revenue  
6 Code of 1954. Return of said tax shall be made to the state  
7 tax commission by every individual on a separate form to be  
8 prescribed by the commission under the same provisions that  
9 apply to returns by net income taxpayers under chapter four  
10 hundred twenty-two (422) of the Code and all the provisions of  
11 the said net income tax law are made applicable to the tax herein  
12 imposed so far as pertinent.

1 Sec. 6. The tax collected by the tax commission under the  
2 provisions of section five (5) of this Act shall be recorded and  
3 tabulated separately for each county from which received. At the  
4 end of each calendar month the commission shall certify to the  
5 state comptroller the amount of balance credited to each county  
6 and the comptroller shall thereupon draw his warrant payable to  
7 the county treasurer in said amount. Upon receipt of said war-  
8 rant the county treasurer shall credit to each taxing body its  
9 proportionate share as determined in the ratio that its certified  
10 askings in dollars bears to the total certification of the taxing  
11 bodies of the county for the tax year.

1     Sec. 7. Section four hundred twenty-two point thirty-three  
2 (422.33), Code 1962, is amended by striking from line six (6) the  
3 word "three" and inserting in lieu thereof the words "four and  
4 one-half".

1     Sec. 8. Section four hundred twenty-two point forty-three  
2 (422.43), Code 1962, is amended by striking from lines three (3)  
3 and twenty-three (23) the word "two" and inserting in each in-  
4 stance the word "three".

1     Sec. 9. Section four hundred twenty-three point two (423.2),  
2 Code 1962, is amended by striking from line five (5) the word  
3 "two" and inserting in lieu thereof the word "three".

1     Sec. 10. Section four hundred twenty-three point thirteen  
2 (423.13), Code 1962, is amended by striking from line thirty-one  
3 (31) the word "two" and inserting in lieu thereof the word  
4 "three".

1     Sec. 11. It is the intent of this Act that the rate of tax on  
2 retail sales and the excise tax on the use of tangible personal  
3 property shall be at the rate of three percent, any statute to  
4 the contrary notwithstanding.