

FEB 7 2006
APPROPRIATIONS

HOUSE FILE 2273
BY MILLER

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

A BILL FOR

1 An Act allowing the state poet laureate to be reimbursed for
2 expenses for the performance of official duties and making an
3 appropriation.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2273

1 Section 1. DEPARTMENT OF CULTURAL AFFAIRS -- POET
2 LAUREATE. There is appropriated from the general fund of the
3 state to the department of cultural affairs for the fiscal
4 year beginning July 1, 2006, and ending June 30, 2007, the
5 following amount, or so much thereof as is necessary, to be
6 used for the purpose designated:

7 For the purpose of reimbursing the actual and necessary
8 expenses incurred by the state poet laureate as a result of
9 the performance of duties under section 303.89:

10 \$ 5,000

11 Sec. 2. Section 303.89, subsection 2, Code 2005, is
12 amended to read as follows:

13 2. If more than one meeting is required, the state poet
14 laureate nominating committee shall meet at the call of the
15 chairperson or as determined by the nominating committee and
16 select a list of three nominees, along with biographical and
17 professional information and supporting representative
18 material, who are residents of Iowa and who, based on their
19 poetic accomplishments, deserve recognition as the state poet
20 laureate. The list of nominees shall be transmitted to the
21 governor. The governor may select the state poet laureate
22 from the list of nominees for a two-year term of office. The
23 state poet laureate is an honorary state office and the
24 incumbent is entitled to no compensation as a result of the
25 appointment, but may be reimbursed for actual and necessary
26 expenses incurred in the performance of official duties as
27 determined by the director of the department of cultural
28 affairs.

29 EXPLANATION

30 This bill allows the state poet laureate to be reimbursed
31 for actual and necessary expenses incurred in the performance
32 of official duties as determined by the director of the
33 department of cultural affairs, and appropriates \$5,000 from
34 the general fund of the state to the department for fiscal
35 year 2006-2007 to reimburse the state poet laureate's

- 1 expenses.
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SENATE FILE 2273

H-8179

1 Amend Senate File 2273, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, by inserting after line 20 the
4 following:

5 "Sec. ____ 2005 Iowa Acts, chapter 175, section 2,
6 subsection 1, unnumbered paragraph 1, is amended to
7 read as follows:

8 For reducing the prevalence of use of tobacco,
9 alcohol, and other drugs, and treating individuals
10 affected by addictive behaviors, including gambling,
11 and for not more than the following full-time
12 equivalent positions:

13	\$	<u>1,759,020</u>
14		<u>10,759,020</u>
15	FTEs	7.45

16 Notwithstanding section 8.33, moneys appropriated
17 in this subsection that remain unencumbered or
18 unobligated at the close of the fiscal year shall not
19 revert but shall remain available for expenditure for
20 the purposes designated until the close of the
21 succeeding fiscal year."

22 2. By renumbering as necessary.

By FORD of Polk

H-8179 FILED MARCH 10, 2006

FEB 7 2006
WAYS AND MEANS

HOUSE FILE 2274
BY JENKINS

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

A BILL FOR

1 An Act providing individual and corporate income tax credits for
2 the purchase and installation of methane gas conversion
3 property by livestock producers to be used to generate
4 electricity and including a retroactive applicability date
5 provision.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2274

1 Section 1. NEW SECTION. 422.11M METHANE GAS CONVERSION
2 TAX CREDIT.

3 1. The taxes imposed under this division, less the amounts
4 of nonrefundable credits allowed under this division, shall be
5 reduced by a methane gas conversion tax credit. The amount of
6 the credit equals twenty-five percent of the cost of the
7 acquisition and installation of methane gas conversion
8 property by a livestock producer for the purpose of converting
9 methane gas into electricity. A taxpayer claiming the tax
10 credit allowed under this section shall not be eligible to
11 claim a tax credit under chapter 476C with respect to the
12 methane gas conversion property.

13 2. Any credit in excess of the taxpayer's tax liability
14 shall be refunded. In lieu of claiming a refund, the taxpayer
15 may elect to have the overpayment shown on the taxpayer's
16 final, completed return credited to the tax liability for the
17 following tax year.

18 3. An individual may claim the tax credit allowed a
19 partnership, limited liability company, S corporation, estate,
20 or trust electing to have the income taxed directly to the
21 individual. The amount claimed by the individual shall be
22 based upon the pro rata share of the individual's earnings of
23 a partnership, limited liability company, S corporation,
24 estate, or trust.

25 4. A taxpayer claiming a tax credit under this section
26 shall not be precluded, in computing taxable income, from
27 using the entire cost of the purchase or installation of the
28 methane gas conversion property in determining the amount of
29 depreciation or expense deduction under any section of the
30 Internal Revenue Code.

31 5. For purposes of this section:

32 a. "Livestock" means an animal belonging to the bovine,
33 caprine, equine, ovine, or porcine species, ostriches, rheas,
34 emus, farm deer as defined in section 170.1, or poultry.

35 b. "Livestock operation" means an animal feeding operation

1 as defined in section 459.102 in which livestock is provided
2 care and feeding, or any other area which is used for raising
3 crops or other vegetation and upon which livestock is fed or
4 allowed to graze.

5 c. "Livestock producer" means a person who is the owner
6 and operator of livestock subject to care and feeding at a
7 livestock operation in which the person holds a legal
8 interest. The person may own the livestock or own the
9 livestock jointly with another person. The person must be
10 actively engaged in the livestock operation by making
11 management decisions and performing physical work relating to
12 the care and feeding of the livestock on a regular,
13 continuous, and substantial basis in a manner that is
14 essential to the success of the livestock operation.

15 d. "Methane gas conversion property" means personal
16 property, real property, and improvements to real property
17 used in an operation to collect methane gas or other gases
18 produced as a by-product of waste decomposition from a
19 livestock operation and to convert the gas to energy to be
20 used to generate electricity.

21 Sec. 2. Section 422.33, Code Supplement 2005, is amended
22 by adding the following new subsection:

23 NEW SUBSECTION. 20. a. The taxes imposed under this
24 division shall be reduced by a methane gas conversion tax
25 credit. The amount of the credit equals twenty-five percent
26 of the cost of the acquisition and installation of methane gas
27 conversion property by a livestock producer for the purpose of
28 converting methane gas into electricity. A taxpayer claiming
29 the tax credit allowed under this subsection shall not be
30 eligible to claim a tax credit under chapter 476C with respect
31 to the methane gas conversion property.

32 b. Any credit in excess of the taxpayer's tax liability
33 shall be refunded. In lieu of claiming a refund, the taxpayer
34 may elect to have the overpayment shown on the taxpayer's
35 final, completed return credited to the tax liability for the

1 following tax year.

2 c. A taxpayer claiming a tax credit under this subsection
3 shall not be precluded, in computing taxable income, from
4 using the entire cost of the purchase or installation of the
5 methane gas conversion property in determining the amount of
6 depreciation or expense deduction under any section of the
7 Internal Revenue Code.

8 d. For purposes of this subsection:

9 (1) "Livestock" means an animal belonging to the bovine,
10 caprine, equine, ovine, or porcine species, ostriches, rheas,
11 emus, farm deer as defined in section 170.1, or poultry.

12 (2) "Livestock operation" means an animal feeding
13 operation as defined in section 459.102 in which livestock is
14 provided care and feeding, or any other area which is used for
15 raising crops or other vegetation and upon which livestock is
16 fed or allowed to graze.

17 (3) "Livestock producer" means a person who is the owner
18 and operator of livestock subject to care and feeding at a
19 livestock operation in which the person holds a legal
20 interest. The person may own the livestock or own the
21 livestock jointly with another person. The person must be
22 actively engaged in the livestock operation by making
23 management decisions and performing physical work relating to
24 the care and feeding of the livestock on a regular,
25 continuous, and substantial basis in a manner that is
26 essential to the success of the livestock operation.

27 (4) "Methane gas conversion property" means personal
28 property, real property, and improvements to real property
29 used in an operation to collect methane gas or other gases
30 produced as a by-product of waste decomposition from a
31 livestock operation and to convert the gas to energy to be
32 used to generate electricity.

33 Sec. 3. Section 437A.6, subsection 1, paragraph d, Code
34 2005, is amended to read as follows:

35 d. Methane gas conversion property subject to section

1 427.1, subsection 29, or eligible for a tax credit under
2 section 422.11M or section 422.33, subsection 20.

3 Sec. 4. RETROACTIVE APPLICABILITY DATE. This Act applies
4 retroactively to January 1, 2006, for tax years beginning on
5 or after that date.

6 EXPLANATION

7 This bill provides an income tax credit under the
8 individual and corporate income taxes equal to 25 percent of
9 the cost to a livestock producer of the acquisition and
10 installation of methane gas conversion property. Methane gas
11 conversion property is personal and real property that is used
12 to convert the gas produced from livestock waste decomposition
13 into electricity.

14 The bill applies retroactively to January 1, 2006, for tax
15 years beginning on or after that date.

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