

2015 IRC UPDATE BILL

Prior Law

References to the “Internal Revenue Code” mean the Internal Revenue Code as in effect on January 1, 2014.

New Provisions

The Act updates the Iowa Code so that all references to the “Internal Revenue Code” mean the Internal Revenue Code in effect on January 1, 2015. The Act also decouples Iowa income tax from the federal additional first-year depreciation allowance of section 168(k) of the Internal Revenue Code, which was extended through 2014 by the federal Tax Increase Prevention Act of 2014.

Section Amended

Section 1 of 2015 Iowa Acts Senate File 126 amends Section 15.335, subsection 7, paragraph b, Code 2015. Section 2 amends Section 422.3, subsection 5, Code 2015. Section 3 amends Section 422.9, subsection 2, paragraph i, Code 2015. Section 4 amends Section 422.10, subsection 3, paragraph b, Code 2015. Section 5 amends Iowa Code section 422.32, subsection 1, paragraph h, Code 2015. Section 6 amends Section 422.33, subsection 5, paragraph e, subparagraph (2), Code 2015. Section 9 amends Section 422.7, subsection 39A, unnumbered paragraph 1, Code 2015. Section 10 amends Section 422.35, subsection 19A, unnumbered paragraph 1, Code 2015.

Effective Date

The amendments decoupling bonus depreciation are effective for tax years ending on and after January 1, 2014. The remainder of the Act is effective for tax years beginning on and after January 1, 2014.