

## Summary of 2018 Key Effective Dates

On May 30, 2018, Iowa Governor Kim Reynolds signed extensive tax reform into law. The provisions of the new tax reform law become effective at different times. This guide summarizes when key provisions become effective.

*Disclaimer: The information provided below is a high-level summary of the effective dates in the tax reform law (SF2417); it does not address every provision of the tax reform law enacted during the 2018 legislative session. Additional information regarding tax reform implementation can be found on our website.*

### Income Tax Changes for Individuals

529 Plan and ABLE Transfer Conformity K-12 Tuition Withdrawals from 529 Plans	Effective for tax years beginning on or after Jan. 1, 2018
Taxpayers Trust Fund Credit	Repealed effective Jan. 1, 2018
Earned Income Tax Credit Conformity Tax-free IRA Charitable Distributions Teacher Expense Deduction Conformity Sales & Use Tax Deduction Conformity Accounting Method Conformity Pension Rollover Conformity	Effective for tax years beginning on or after Jan. 1, 2018 but before Jan. 1, 2019

### Income Tax Changes for Business

Research Activities Credit: Limitation on Businesses Eligible for Credit	Effective for tax years beginning on or after Jan. 1, 2017
Like-kind Exchange Allowed for certain personal property	Available to individuals for exchanges during tax years beginning on or after Jan. 1, 2018 and before Jan. 1, 2020
Section 179 Deduction Increase (No Bonus Depreciation)	Phase-in begins in tax years beginning on or after Jan. 1, 2018 for individuals and entities other than corporations.
Transitional rule for Individuals with Multiple Passthrough Interests with Section 179 Expensing	Available for tax years beginning on or after Jan. 1, 2018 but before Jan. 1, 2020

### Sales Tax and Excise Tax Changes

Manufacturing Exemption Changes	Effective for sales made on or after May 30, 2018
Photography & Retouching Services Taxed as Taxable Services	Effective for sales made on or after July 1, 2018
“Bundled Transaction” definition	Effective for sales made on or after July 1, 2018

