



BILL SUMMARY

Political Checkoff Removal HF 242

Status of Bill: House Floor
Committee: Ways & Means Committee (15-9)
Lead Democrats: Rep. Forbes
Floor Manager: Rep. Kaufmann
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February 21, 2017

Background

Under current law, taxpayers may assign \$1.50 of the state tax owed to a specified political party or to the Election Campaign Fund to be distributed evenly to all of the qualified political parties. This election does not change a taxpayer's tax liability. A political party is "qualified," and therefore included on the tax forms, if the party's presidential candidate received at least 2% of the total vote in the last general election. The qualified parties this year are the Democratic Party and Republican Party.

For FY 2016, the political checkoffs generate approximately \$43,000 annually for the Democratic Party and \$28,000 annually for the Republican Party.

Bill Summary

The bill removes the political checkoff from the Iowa state income tax forms for any taxes from before January 1, 2017, meaning the checkoff would be removed starting with taxes filed in April 2017. After Tax Year 2016 the political checkoff is repealed and no longer available.