

Iowa Legislative Report
Iowa State Police Association
89th General Assembly, 2022 Session
Week 7: February 25, 2022
Fitzgerald, Smith & Associates, Lobbyists

Week seven turned out to be a relatively busy week at the State Capitol. Usually, the week following funnel is quiet. This is the week where floor debate takes priority. Most of the bills are non-cons and the intent is to clear the debate calendar of all the “easy” bills so the focus can move onto the more complicated and controversial bills. That was not the case this year. The income tax reduction bill moved through both chambers this week and now sits on the Governors desk. This bill completely overhauls the income tax code and obviously took up most of the attention. Here is a brief explanation of the final language:

This bill establishes and phases in a flat tax of 3.9%. Excludes retirement income, capital gains for employee-owners, for capital gains and payments to retired farmers. Corporate: Requires the DOR to adjust the highest corporate income tax rates downward if the net receipts are more than \$700 million in the previous fiscal year. Prohibits the rates from being adjusted below 5.5%. Credit: Limits the Research Activities credit and phases in a roll-back to 50% for refundability. Reduces the refundability of other credits. Ends the geothermal pump credit. Requires the high-quality jobs credit to be prioritized. Caps the amount of the Endow Iowa credit a single taxpayer can receive. Other: Eliminates the tax expenditure committee. Adds automatic transfers from the Taxpayer Relief fund. Eliminating the local option sales tax and adding 1 cent to the sales tax (in doing so funding enacting the IWLL trust fund) was dropped from the bill.

One bill we have registered in support of passed out of the House this week. HF 2154, the release of public records for Police and Fire, is now in the Senate for their review. HF 2358, an ILEA bill, also passed out of the House. We are registered as monitoring. Many other priority bills are on the House and Senate debate calendars and should be debated in the next couple of weeks.

The 411 bill is still in play on the Senate side. They did not bring it to the floor this week as they were focusing on Senate drafted bills as well as the priority of the

tax bill. We are still advocating for debate on this bill and are hopeful that it is brought forward in the next couple of weeks. Continue to ask your local Senators to discuss the importance of this bill to their leadership.

Feel free to reach out to any of us for further clarification or if you have any questions.

Jeff Smith
jeff.g.smith@outlook.com
712-320-2679

Maggie Smith-Fitzgerald
maggiesmithfitz@outlook.com
515-314-3335

Matt Fitzgerald
Mdfitz7575@gmail.com
515-313-5874

Jerry Fitzgerald
fitz1941@gmail.com