

**Senate File 473 - Introduced**

SENATE FILE 473

BY RAGAN

(COMPANION TO LSB 2095HH BY  
STECKMAN)

**A BILL FOR**

1 An Act providing a deduction for certain casualty losses  
2 and including effective and retroactive applicability  
3 provisions.

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

1 Section 1. DISASTER-RELATED PERSONAL CASUALTY LOSS  
2 DEDUCTIONS. A taxpayer is allowed to take the deduction for  
3 disaster-related casualty losses under section 165(h) of the  
4 Internal Revenue Code, as modified by the Heartland Disaster  
5 Relief Act of 2008, Pub. L. No. 110-343, in computing net  
6 income for state tax purposes.

7 Sec. 2. EFFECTIVE UPON ENACTMENT AND RETROACTIVE  
8 APPLICABILITY. This Act, being deemed of immediate importance,  
9 takes effect upon enactment and applies retroactively to  
10 January 1, 2008, for tax years beginning on or after that date  
11 and before January 1, 2009.

12 Sec. 3. REFUNDS. A claim for credit or refund of income  
13 taxes paid that arises under the provisions of this Act is  
14 considered timely if such a claim is filed with the department  
15 of revenue on or before October 1, 2011.

16 EXPLANATION

17 This bill allows taxpayers to take deductions for certain  
18 disaster-related casualty losses.

19 In 2008, the midwest suffered significant property casualty  
20 losses due to natural disasters. In response, the federal  
21 government passed the Heartland Disaster Relief Act which  
22 amended the casualty loss provisions of the Internal Revenue  
23 Code. In 2009 and 2010, the state of Iowa did not conform  
24 to the federal provisions related to the computation of net  
25 income.

26 This bill allows Iowa taxpayers to take the deductions for  
27 the 2008 tax year.

28 A claim for credit or refund of income taxes paid that arises  
29 under the provisions of the bill is considered timely if such  
30 a claim is filed with the department of revenue on or before  
31 October 1, 2011.

32 The bill is effective upon enactment and applies  
33 retroactively for the 2008 tax year.