

IOWA HOUSE REPUBLICANS

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IowaHouseRepublicans.com

Appropriations

House Republicans Release Budget Plan

House Republicans released their spending plans for Fiscal Year 2026 on Monday afternoon, once again committing to moving forward a responsible, conservative budget for Iowa. The plan spends \$9.453 billion starting on July 1. This represents an increase of \$505 million over the current year. The funding breakdown amongst the various subcommittees is:

	Estimated FY 2025	House FY 2026	Senate FY 2026	House vs Senate
Administration & Regulation	\$72,941,377	\$74,525,590	\$73,461,809	\$1,063,781
Agriculture & Natural Resources	\$45,923,745	\$47,305,670	\$45,574,050	\$1,731,620
Economic Development	\$40,787,127	\$40,637,127	\$40,187,127	\$450,000
Education	\$1,019,009,691	\$1,042,264,716	\$1,026,386,031	\$15,878,685
Health & Human Services	\$2,215,601,301	\$2,468,514,264	\$2,468,992,645	-\$478,381
Justice Systems & Judicial Branch	\$915,462,616	\$928,933,800	\$925,925,531	\$3,008,269
State Aid to Schools & Other Standing Appropriations	\$4,637,632,218	\$4,851,312,672	\$4,836,758,719	\$14,553,953
TOTAL	\$8,947,358,075	\$9,453,493,839	\$9,417,285,912	\$36,207,927

The largest area of growth in the budget is Medicaid. Under the plan, the state increases its share of the program's costs next year as the enhanced federal matching funds due to Covid are dwindling down. In addition to replacing those funds, the Medicaid budget includes rate increases for nursing homes, dentists, pharmacies, and other providers. Funding for Iowa's public schools was set earlier in April as a 2 percent increase in the state cost per pupil was agreed to. The increase is over \$107 million and includes a \$5 per student increase for per pupil equity, increased operational sharing funds for districts, and a higher contribution for school transportation costs. The House Republican budget also provides an \$8 million increase for community colleges, additional funds to the Regents Universities for new initiatives, and increased funds for educational savings accounts.

House Republicans continue to keep their word to paraeducators and school support personnel by maintaining the \$14 million of additional funding that was first enacted last year. These funds are being used by school districts to raise pay to those serving special education students and other needed services. Unfortunately, the joint Senate/Governor budget targets do not include maintaining the additional wages to these vital classroom assistants who provide a difficult and underappreciated service to younger Iowans with special needs.

The House Republican budget includes additional funds for other priorities, including meeting the state's constitutional requirement to provide indigent defense services, helping victims of crime, supporting job training programs for students, and providing support for veterans services. Action on these priorities is moving quickly as they will be eligible for debate early next week.

(Contact: Brad Trow 1-3471)

Inside This Issue:

Appropriations	1
Agriculture	2
Commerce	2
Economic Growth	3
Education	3
Environmental Protection	4
Health & Human Services	5
Judiciary	6
Labor	6
Natural Resources	7
State Government	8
Transportation	9
Veterans Affairs	10
Ways & Means	10

Agriculture

IDALS Announces Awards to Expand Drivers' Access to E15 in Iowa

On Wednesday, April 30, the Iowa Department of Agriculture and Land Stewardship (IDALS) issued a press release in which Iowa Secretary of Agriculture Mike Naig announced that the Iowa [Renewable Fuels Infrastructure Program \(RFIP\)](#) Board recently approved an additional 95 applications from Iowa gas stations to support new and expanded ethanol infrastructure projects. These investments help drivers save money by providing expanded access to lower cost and cleaner burning homegrown biofuels like E15. The cost-share grants were awarded by the RFIP Board during its quarterly meeting on April 15, 2025. The approved project sites are located in 38 counties and total \$940,121.00 in state cost-share. A complete list of the projects [approved on April 15, sorted by county, is available here](#). These are in addition to the [114 ethanol and biodiesel projects](#) that the RFIP board awarded at the end March, which set [a record for the number of projects approved in one quarter](#).

The [Iowa Department of Revenue announced](#) on April 3 that Iowa E15 sales hit an all-time record in 2024, eclipsing the previous record from 2023 by 44 percent. With 256.7 million gallons of E15 sold in Iowa in 2024 at an average price discount of 15 cents per gallon compared to E10, Iowa drivers saved over \$38.5 million last year by choosing E15 at the pump. These investments are helping more Iowa gas stations come into compliance with the E15 Access Standard. Iowa is the first state to enact an [E15 Access Standard](#), which requires most fuel retailers and gas stations to offer E15 by Jan. 1, 2026. The law was passed by the Iowa Legislature and signed by Gov. Reynolds in 2022. For those convenience stores and gas stations that need assistance coming into compliance, IDALS can provide cost-share funding through the RFIP.

Since the grant program began in 2006, IDALS has invested over \$61 million toward expanding renewable fuels infrastructure within Iowa. This has been matched with more than \$270 million by Iowa gas stations and fuel retailers. With cost-share funding available, IDALS welcomes [grant applications](#) to assist more fuel stations in improving and upgrading infrastructure. Applications are available at iowaagriculture.gov/IRFIP, and will be considered by the RFIP Board at the upcoming quarterly meeting scheduled for June 4, 2025. The deadline to submit applications for this next quarter is May 9, 2025.

(Contact: Lew Olson 1-3096)

Commerce

Volunteers Assist Iowans on Navigating Medicare Options and Fighting Fraud

The following was recently released by the Iowa Insurance Division:

During National Volunteer Week, the Iowa Insurance Division proudly recognizes the incredible dedication and service of our SHIIP–SMP (Senior Health Insurance Information Program–Senior Medicare Patrol) volunteers. In 2024, 401 volunteer counselors served 51,885 Iowans—an 8% increase from the previous year—helping individuals understand their Medicare benefits, evaluate healthcare options, and guard against fraud and abuse.

Through one-on-one counseling sessions, “Welcome to Medicare” seminars, and community outreach, these trained and certified volunteers are a trusted source of unbiased, confidential assistance for Iowans navigating complex healthcare decisions. Their collective efforts made a significant difference across the state, with over **46,775 hours** of volunteer service recorded in 2024.

“Our SHIIP–SMP volunteers are truly the heart of this program,” said Kristin Griffith, SHIIP–SMP Director at the Iowa Insurance Division. “Their compassion, expertise, and tireless commitment to helping others ease the burden of navigating Medicare and health insurance choices is unmatched. I’m deeply grateful for their willingness to give so much of their time and talents to help their fellow Iowans.”

The impact of SHIIP–SMP is both measurable and meaningful. Despite only a small increase in the number of counselors—from 392 to 401—the number of Iowans served grew by more than 4,000. This growth is a testament to the effectiveness and dedication of the program’s volunteers.

If you’re passionate about helping others and want to make a meaningful impact in your community, consider becoming a SHIIP–SMP volunteer. Learn more at: www.shiip.iowa.gov/get-involved.

(Contact: Natalie Ginty 5-2063)

Economic Growth

Sioux City to Debut Iowa’s First Homeless Court Program

The Iowa Finance Authority (IFA) Board of Directors recently awarded \$25,000 to the City of Sioux City to support the creation of the state’s first Homeless Court Program (HCP). The program, funded through IFA’s Emergency and Innovative Housing Fund, is designed to help individuals experiencing homelessness resolve legal barriers that prevent them from securing stable housing and employment.

HCPs bring together courts, local shelters, service agencies, prosecutors, and public defenders to provide a community-based alternative to the traditional courtroom. The program allows participants to resolve outstanding misdemeanor offenses, infractions, and warrants by working with a case manager from a local supportive services agency who will work directly with the person experiencing homelessness to develop an individualized self-sufficiency plan and secure supportive services specific to their needs.

If the participant successfully completes the program, court cases may be dismissed and fines and fees that were unlikely to be collected may be removed, reducing barriers to housing and employment. The HCP model builds trust, promotes community engagement and enhances overall public health and safety. The Sioux City HCP will be the first HCP implemented in the state of Iowa.

The IFA Board of Directors established the Emergency and Innovative Housing Fund in 2024 to effectively respond to emergency housing needs related to natural disasters or other housing crises within Iowa and to participate in creative and innovative initiatives related to supporting affordable housing. The IFA Board annually evaluates the Fund’s balance and approves additional funding deposits each year as part of the agency’s fiscal year budgeting process.

(Contact: Kristi Kiouss 2-5290)

Education

Iowa Ranks Fifth in the Nation, Leading the Midwest in Preschool Access for Four-Year-Olds

In a newly released national report, Iowa maintains its top five ranking in preschool access for four-year-old children. The state’s national ranking in preschool access for three-year-old children also gained new ground, rising from 22nd to 21st place.

Each year, the [National Institute for Early Education Research's \(NIEER\) State of Preschool Yearbook](#) provides a critical snapshot of preschool education in the United States. The 2023-24 school year set national records for state enrollment and funding for preschool programs, primarily serving four-year-old children. Nationally, enrollment reached 37 percent for four-year-olds and eight percent for three-year-old children. In comparison, 67 percent of Iowa's four-year-old children and six percent of three-year-olds were served in state-funded preschool programs. "We are pleased to see Iowa recognized for our continued efforts to provide access to high-quality preschool programs for our youngest learners," said Kimberly Villotti, chief for the Bureau of Early Childhood Education at the Iowa Department of Education. "Through our collaborative partnerships with preschool programs across the state and a statewide commitment to expanding access and inclusive programming, we continue to serve a large number of four-year-olds and look for additional enrollment opportunities for three-year-old children."

For Iowa, the NIEER 2024 State of Preschool Yearbook noted the following results:

- Iowa's two state-funded preschool programs showed an enrollment of 28,189.
- State spending totaled nearly \$97,000,000, up 1 percent since last year.
- State spending per child equaled \$3,735, up \$49 from 2022-23.

Iowa's [Shared Visions Preschool Program](#) and the [Statewide Voluntary Preschool Program for Four-Year-Old Children](#) support access to preschool programs for families across the state. Shared Visions programs provide quality child development programs for children at-risk in 29 Iowa counties. The preschool programs serve children ages three to five.

Established in 2007, the Statewide Voluntary Preschool Program for Four-Year-Old Children, aims to give every young child in Iowa an opportunity to build a strong foundation for learning. Children who are four-years-old on or before September 15 can enroll and attend quality preschool programs at no cost.

For more information on Iowa's preschool programs, visit the Department's [early childhood education webpages](#).
(Info from Iowa Department of Education)

(Contact: Kristin Rozeboom 1-3015)

Environmental Protection

Trump Administration Issues Nationwide Emergency Waiver for Summertime E15 Sales

On Monday April 28, 2025, the United States Environmental Protection Agency (EPA) issued a press release announcing that this federal agency was issuing an emergency fuel waiver allowing the sale of E15 gasoline — gasoline blended with 15% ethanol — nationwide during the summer driving season. By doing so, EPA will keep E15 on the market giving consumers more options across the nation. This is consistent with President Trump's Executive Order Declaring a National Energy Emergency, directing the EPA to consider issuing emergency waivers to allow for year-round E15 sales. EPA Director Lee Zeldin noted-- "*President Trump's commitment to farmers and the Renewable Fuels Standard has been a cornerstone to his leadership. In my confirmation hearing, I pledged to establish certainty when it came to the sale of E15 year-round. Promises made, promises kept.*"

U.S. Agriculture Secretary Brooke Rollins added—"President Trump is committed to lowering energy prices by unleashing American energy production, and it all starts with U.S. farmers. This move to allow the summer sale of E-15 will provide immediate relief to consumers, provide more choices at the pump, and drive demand for corn grown, processed, and used right here in America. Our nation's great corn growers are critical to helping the U.S. achieve energy independence which is essential to national security. I thank Administrator Zeldin for moving quickly to implement this emergency fuel waiver and his continued commitment to U.S. famers and the U.S. biofuels industry. At

USDA we look forward to our continued partnership with EPA and are working diligently to increase our energy dominance in the U.S. and abroad by expanding market access for American biofuels on the world stage.”

(Contact: Lew Olson 1-3096)

Health and Human Services

House Releases Health and Human Services Budget

This week, the House and Senate both released FY2026 Health and Human Services Budgets. The House budget appropriates \$2.47 billion of state general fund to the Department of Veterans Affairs and the Department of Health and Human Services. This is a \$253 million increase in general fund compared to FY2025. In total with federal matching funds, the House budget appropriates over \$6 billion towards Medicaid, childcare, child welfare, public health, aging and veteran services in Iowa.

1. Fully Funding Medicaid – This budget appropriates an additional \$20 million on top of the March Medicaid estimate for FY26. House Republicans are dedicated to fully funding Medicaid and have always provided that commitment to vulnerable Iowans while being in the majority. Allegations that Medicaid is not being funded is inaccurate and is federal fear mongering for political purposes.
2. Provider rate adjustments – This budget provides necessary increases to the following Medicaid providers:
 - a. Nursing Homes – The House has fully funded Iowa’s nursing homes at the rate developed through cost reporting. This \$25 million of state funding amounts to almost \$70 million increase to Iowa’s nursing homes to care for Iowa’s elderly.
 - b. Home and Community-Based Services – The House budget provides a \$3 million increase to care for Iowa’s disabled population in their communities, which amounts to \$8.5 million in total funding increase.
 - c. Maternal Health – Increases rates for prenatal, delivery and postnatal care
 - d. Dentists – Provides \$3.1 million to increase dental rates to the 85% Medicare benchmark
 - e. Pharmacy – Provides a \$1 million increase to the Medicaid dispensing fee
 - f. Prosthetics – Increases prosthetic and orthotic provider rates by \$295,000
3. Mental Health –
 - a. Autism Coverage – fully funds adding autism coverage to the hawk-i program ensuring over 600 youth have access to autism care
 - b. Commitment Discharge – adds in the majority of House File 385 that requires responsible discharge planning for individuals committed for substance abuse or mental health.
 - c. Commitment Hearing Testimony – adds in House File 313 that allows Pas and ARNPs to testify at committal hearings if they witnessed the examination, reviewed the report, and the professional that examined the individual is unable to attend the hearing.
4. Adoption and Foster care – This bill increases foster care and adoption subsidy rates by 5%
5. Emergency Medical Services – Funds House File 977 to expand federal support for Iowa’s EMS providers. This bill will enable additional tens of millions of dollars to come to the state to support rural EMS.
6. Personal Needs Allowance – increases the monthly allotment for Medicaid individuals in nursing facilities to retain \$65 per month to pay towards personal needs.
7. SNAP – Double Up Food Bucks – Fully funds the \$1 million in House File 970. This bill importantly provides a \$1 million appropriation to the Double Up Food Bucks Program if Iowa receives federal approval to include healthy food based on necessary nutrition for the Supplemental Nutrition Assistance Program.
8. Veterans – Fully funds House File 1000, which appropriates \$250,000 to the veterans service organization grant program to provide matching funds for employing new staff to assist veterans with federal claims.

9. Dementia Coordinator – Requires DHHS to hire a state dementia coordinator to help Iowans and their family members with accessing dementia care.
10. Radon testing kits – creates a \$20,000 standing appropriation to DHHS to be used to make radon test kits available, free of charge, to homeowners and renters in Iowa.
11. Health Equity Bureau – Eliminates the Health Equity Bureau within DHHS to focus the department on the health needs of all Iowans.
12. TANF – Maintains FY25 TANF distribution of funds

Juvenile Detention – Increases the allotment of funds to Iowa’s juvenile detention centers by \$25,000

(Contact: Natalie Ginty 5-2063)

Judiciary

Equal Rights for Firearm Owners

When a person turns eighteen, they can legally get married, sign a contract, join the military, work full time, and buy a place to live, but until recently they didn’t have the right to protect themselves or their loved ones with a firearm. HF 924 changes that by allowing adults, eighteen and over, to acquire and carry a firearm and exercise their constitutional right to keep and bear arms.

Under the previous law, a person had to be twenty-one years old to possess or use a handgun unless they were under direct adult supervision of someone twenty-one or older. This meant that a person old enough to join the military and defend our country could not legally defend themselves or their loved ones at home. Imagine being a husband, with a new wife, a baby, and no ability to protect them from a violent intruder.

Allowing an eighteen-year-old to acquire and carry a firearm is not unique policy. Most states allow legal adults to possess a handgun. Federal Courts have ruled that eighteen-year-old adults have the same rights as those twenty-one and over. HF 924 brings Iowa in line with other states and federal court rulings.

House File 924 does not change where firearms are allowed, and only ensures that adults are treated equally under the law. Firearms are still prohibited on school grounds, most federal grounds and other designated places. This means an eighteen-year-old high school student cannot keep their firearm in their vehicle while at school, carry it in the building, or carry at school sanctioned events.

This new law treats adults equal under the law and ensures a person has the right to protect themselves and their family and are not hindered by out-of-date policy.

(Contact: Amanda Wille 1-5230)

Labor

Iowa Awards \$3.4 Million in New Grants to Support Registered Apprenticeship Programs

Iowa announced new grant awards for Registered Apprenticeship (RA) sponsors whose programs are building the workforce pipeline across the state. A total of \$3.4 million in grants are being distributed to both existing RA programs and programs created in new occupations that are based in high-demand fields.

Grant funds awarded to RA sponsors will be managed through the Iowa Office of Apprenticeship (IOA). [The IOA](#), housed within Iowa Workforce Development, is responsible for administering and supporting all RA programs in the state. In 2024, Iowa officially became a State Apprenticeship Agency (SAA), granting IOA the formal oversight and authority to better support existing programs and establish innovative ways to expand their development across the state.

“I applaud the program sponsors receiving grant funds today who are committed to preparing the workers of tomorrow using the Registered Apprenticeship model,” said Governor Reynolds. “Registered Apprenticeship programs play a critical role in our overall workforce strategy. As we demonstrated in the Teacher-Paraeducator Registered Apprenticeship program, using a tried and true model in a nontraditional field is a win-win for Iowans and employers, and I am pleased to see a number of our schools receive funding under this program.”

Today's grant awards involve two different funding streams, which together will help support the success of thousands of apprentices participating in the sponsors' programs:

- **The Iowa Apprenticeship Act (84E)**, which provides funding for training or ongoing costs within any active RA program in the state.
 - ([Awardee Sheet](#)): \$2.94 million in grants to 59 sponsors who are supporting 5,133 participating apprentices.
- **The Iowa Registered Apprenticeship Development Program (84F)**, which specifically provides funding for new programs formed in a high-demand occupation.
 - ([Awardee Sheet](#)): \$427,800 in grants to 17 sponsors who have created programs in 19 new occupations.

“Iowa made an investment to provide financial support to grow Registered Apprenticeship programs when these programs were created over 10 years ago,” said Beth Townsend, Executive Director of Iowa Workforce Development.

“Today, we continue to see the return on that investment with increases in the number of apprentices and programs across the state as well as the expansion of this training model into nontraditional fields.”

For more information about the programs featured in today's awards, visit the pages below:

- [Iowa Apprenticeship Act \(84E\)](#)
- [Iowa Registered Apprenticeship Development Program \(84F\)](#)

(Info from Iowa Workforce Development)

(Contact: Jason Covey 1-3626)

Natural Resources

Senate Concurs; Gives Final Approval to Youth Deer Tag Extension

On Monday, April 28 the Senate passed Senate File 423 as amended by the House by a 47-2 vote. SF 423 requires that youth deer hunting licenses be available for purchase during the same timeframe as general deer hunting licenses, encompassing all established deer hunting seasons. It allows holders of a youth deer hunting license to utilize their license and tag during the season for which it was issued or in any subsequent established deer hunting season, provided they follow the authorized method of take for that season. However, if the tag is filled in one season, the license will not be valid for subsequent seasons. This change enhances accessibility and flexibility for youth hunters in Iowa. The House amendment to which the Senate concurred with added Code language to oblige DNR to issue deer

depredation permits to any landowner who incurs crop, horticulture product, tree or nursery damage of one thousand dollars or more due to wild animals.

DNR Notes that Black Bear Sightings on the Rise in Northeast Iowa

On Tuesday, April 29 the Iowa Department of Natural Resources (DNR) issued a press release announcing that DNR has been meeting with officials from local conservation boards, police departments, sheriff's offices and dispatchers from counties in northeast Iowa to discuss how to respond when black bears come strolling through later this spring.

Bears have been responsible for destroying bee hives and have been found on back decks and in back yards emptying bird feeders. If a bear does show up around the house, try to scare it from a safe distance because bears don't like loud noises.

Iowa has gone from having an occasional visiting bear, to more frequent visiting bears to now having two- to- four bears move in and over-winter. And could see more in the future.

Bear attacks are extremely rare, and most incidents involved unsecured food sources, he said. The Iowa DNR is a member of BearWise, a national organization that provides information on living responsibly with black bears around the home, when recreating in the outdoors, and more at www.bearwise.org.

(Contact: Lew Olson 1-3096)

State Government

Governor Signs Several State Government Bills

Last Friday Governor Reynolds signed several State Government Committee pieces of legislation into law. These bills range from some good governance changes to existing code, code cleanup following the reorganization of the government, and licensing bills.

Department of Revenue Alcohol Beverage Division Bill

[HF 470](#) updates the definition of "canned cocktail" and "mixed drink cocktail" to include drinks made with a beer or wine base. Updates Iowa Code to require license applicants to use the USPS Verified Address for their licensed premise in their application to the Department. The new law additionally clarifies that the State of Iowa and agencies of the state are authorized to hold an alcohol license.

Eligibility requirements for financial institutions to hold public money

[HF 844](#) repeals section of code requiring the Treasurer of State to establish a list of eligible financial institutions to accept state public funds. The Division of Banking and Division of Credit Unions under the Department of Insurance and Financial Services has the authority to determine the eligibility of financial institutions to accept state funds.

Enacting the Respiratory Care Licensure Interstate Compact

[HF 547](#) enacts the interstate compact to support the mobility of licensed respiratory therapists. The compact allows qualified licensed respiratory therapists to apply and be approved for the compact privilege to practice in remote participating states.

(Contact: Jason Covey 1-3626)

Transportation

REAL ID Enforcement Date Approaching: What Iowans Need to Know

Starting next Wednesday (May 7) all travelers will need a REAL ID-compliant driver's license or identification card or [another acceptable document](#) (like a passport) to board domestic commercial flights. A REAL ID will also be required to access certain federal buildings or enter nuclear facilities. If you need clarification about entry into federal facilities, we recommend contacting the specific federal facility directly before your visit.

You do **NOT** need a REAL ID to:

- Drive
- Vote
- Purchase alcohol or cigarettes
- Access hospitals
- Visit the post office
- Access federal courts
- Apply for or receive federal benefits such as social security or veterans' benefits

When to get a REAL ID:

Iowans who fly commercially or visit certain federal buildings should obtain a REAL ID soon to avoid any issues or delays after the May 7, 2025 enforcement date. Appointments are highly encouraged and can be scheduled through the [Iowa DOT Service Selector](#) (or go to the Iowa Department of Transportation's website at IowaDOT.gov and search appointments).

If you are not flying or visiting a federal facility that requires a REAL ID until later in the year, you can wait to get your REAL ID. We strongly recommend getting it two months in advance of when you need to use it.

How to Check If You Have a REAL ID:

Check the upper-right corner of your driver's license or ID. If there is a **gold star**, you have a REAL ID. If the upper-right corner is blank or reads "NOT FOR REAL ID ACT PURPOSES," then your ID is not REAL ID-compliant. For examples, visit the [Iowa DOT REAL ID page](#) (or go to the DOT's website at IowaDOT.gov and search REAL ID).

Need a REAL ID? Here's How to Get One:

To obtain a REAL ID-compliant credential, visit the [Iowa DOT REAL ID website](#) (or go to the DOT's website at IowaDOT.gov and search REAL ID) for details on required documentation. This site will put together a checklist for you on the documents you need. To meet the federal requirements, just remember 1-1-2. You will need:

- 1 document that proves your identity and date of birth.
- 1 document that proves your social security number.
- 2 documents that prove Iowa residence and residential address.

*Name change documents (if applicable, marriage certificate/divorce decree, etc.)

(Contact: Brad Trow 1-3471)

Veterans Affairs

House Funds Veteran Service Organization Grant Program

This week, the House released the House Health and Human Services Budget, which fully funds House File 1000. This bill passed the House unanimously and appropriates \$250,000 to the veterans service organization grant program to provide matching funds for employing staff to assist veterans with claims.

Iowa veterans first line of assistance to ensure they are receiving the benefits they have earned is their county veteran service officer. Oftentimes, if the claim is more complex or the veteran needs assistance appealing a determination, veteran service organizations provide that assistance free of charge. This bill will ensure expansion of that assistance for Iowa's veterans. The bill is now to be considered by the Senate Appropriations Committee.

(Contact: Natalie Ginty 5-2063)

Ways & Means

Iowa is Finally Inheritance Tax Free

Tax Year 2025 has been a big one for Iowa. The income tax rate dropped to a flat 3.8 percent for all taxpayers. That change alone has made Iowa's tax climate so much more competitive and kept more of Iowans' money in their hands. But another big change happened this year as well—Iowa no longer has inheritance tax.

Senate File 619 passed back in 2021 phased out Iowa's inheritance tax at a rate of 20 percent each year until it was repealed totally for deaths occurring on or after January 1 of this year. Most property passing from a decedent was already exempt from the tax—but there were situations where tax was owed. Whether tax was owed depended on the relationship. Direct transfers (think up or down) to children, grandparents, parents were all exempt. However, transfers to nieces, aunts, uncles, etc were taxable.

But in 2025 that is no longer the case. Inheritance tax is gone, and income tax is flat.

(Contact: Kristi Kiious 2-5290)