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correct federal refund.

Feb. 28, 2023



By Erin Murphy, The Gazette, Cedar Rapids, Iowa (TNS)

Hundreds of Iowans did not get their correct federal tax refund due to a clerical error by the state revenue department, the department confirmed Friday, and state money will be used to fix the mistake.

A spokesman for the Iowa Department of Revenue said the department in January sent a file to the IRS that contained incorrect data for some Iowa taxpayers. Once the

error was discovered, a corrected file was sent to the IRS. But in the meantime, as a

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Fuller did not immediately have the total dollar amount of state funds needed to address the error.

WOI-TV in Des Moines first reported the error Thursday.

Last fall, the Iowa Department of Revenue failed to notice a legislative oversight to amend state law to account for property tax changes signed into law in 2013 and 2021. As a result, the department issued an erroneous calculation, which local governments use to set their property tax rates. If left unfixed, that would have left residential property owners on the hook for about \$130 million more in taxes than they should have under the law's original intent.

Gov. Kim Reynolds and state lawmakers earlier this month approved a fix, which also creates a shortfall in expected revenue for cities, counties, school boards and other local taxing entities, which are in the throes of finalizing their fiscal 2024 budgets.

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