

February 1, 1963.
Tax Revision. *See as amended 3/27*

House File 145 *Substituted*
By MENSING. *by 5.7.127*
4/18
Withdrawn 4/8

Passed House, Date.....

Passed Senate, Date.....

Vote: Ayes..... Nays.....

Vote: Ayes..... Nays.....

Approved.....

A BILL FOR

An Act to amend section four hundred twenty-two point forty-five (422.45), Code 1962, relating to exemptions from the imposition of the retail sales tax.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. Section four hundred twenty-two point forty-five
2 (422.45), Code 1962, is amended by inserting after the comma
3 following the word "thereof" in line five (5) of subsection
4 five (5) the following:

5 "including all divisions, boards, commissions or
6 instrumentalities of state, county or municipal government which
7 derive their disburseable funds from appropriations or allotments
8 of funds raised by the levying and collection of taxes,".

1 Sec. 2. Section four hundred twenty-two point forty-five
2 (422.45), Code 1962, is hereby further amended by inserting after
3 the word "thereof" in line three (3) of subsection six (6) the
4 following:

5 ", including all divisions, boards, commissions or
6 instrumentalities of state, county or municipal government which
7 derive their disburseable funds from appropriations or allotments
8 of funds raised by the levying and collection of taxes,".

EXPLANATION OF HOUSE FILE 145

This bill would exempt from the provisions of the retail sales tax those sales of goods used for public purposes to all public boards or commissions of the state or any county or municipal government, the funds of which come from tax levies.

HOUSE FILE 145

1 Amend House File 145 by striking all after the enacting clause
2 and inserting in lieu thereof the following:

3 Section 1. Section four hundred twenty-two point forty-
4 five (422.45), Code 1962, is amended by striking all of subsection
5 five (5) and inserting the following in lieu thereof:

6 "The gross receipts of all sales of goods, wares or merchan-
7 dise used for public purposes by, or in the performance of,
8 any contract for a tax-certifying or tax-levying body of the
9 state of Iowa or governmental subdivision thereof, including
10 all divisions, boards, commissions or instrumentalities of the
11 state, county or municipal governments, which derive their
12 disburseable funds from appropriations or allotments of funds raised
13 by the levy and collection of taxes, except sales of goods, wares
14 or merchandise used by or in connection with the operation of any
15 municipally owned public utility engaged in selling gas, electricity,
16 or heat to the general public. The exemption provided by this
17 subsection shall also apply to all sales of goods, wares or
18 merchandise used for public purposes by, or in the performance
19 of, any contract with the state or any of such governmental
20 subdivisions or agencies which are subject to use taxes under the
21 provisions of chapter four hundred twenty-three (423).

22 The state of Iowa or any governmental subdivision thereof,
23 including all divisions, boards, commissions or instrumentalities
24 of the state, county or municipal governments referred to in this
25 subsection, shall have authority to issue certificates of
26 exemption on forms provided by the state tax commission, to the
27 sellers of goods, wares and merchandise exempted from sales and
28 use taxes by this subsection, which certificates of exemption
29 shall designate the nature and value of the goods, wares and
30 merchandise exempted from tax by this subsection, and can be
31 surrendered by such sellers to the state tax commission as
32 evidence of the exemption of such sales from sales or use
33 taxes."

34 Sec. 2. Section four hundred twenty-two point forty-five
35 (422.45), Code 1962, is hereby amended by striking all of
36 subsection six (6).

Filed
March 27, 1963.

COMMITTEE ON TAX REVISION,
ARTHUR C. HANSON, *Chairman.*

EXPLANATION OF COMMITTEE AMENDMENT
HOUSE FILE 145

1 This amendment would exempt from the provisions of the
2 retail sales tax and use tax those sales of goods used for public
3 purposes by the state or any of its governmental subdivisions,
4 boards, commissions or instrumentalities which derive their funds
5 from taxes, and thus correct the present practice of making
6 governmental units and agencies pay taxes with tax monies."