

JAN 12 2001
WAYS AND MEANS

HOUSE FILE 54
BY CORMACK

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the annual sales tax exemption for clothing
2 and footwear.

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

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HF 54

1 Section 1. Section 422.45, subsection 59, paragraph a,
2 subparagraph (2), Code 2001, is amended to read as follows:

3 (2) The sale takes place during a period beginning at
4 12:01 a.m. on the first Friday in March and ending at midnight
5 on the following Saturday or during a period beginning at
6 12:01 a.m. on the first Friday in August and ending at
7 midnight on the following Saturday.

8 Sec. 2. Section 422.45, subsection 59, paragraph b,
9 subparagraph (1), Code 2001, is amended by striking the
10 subparagraph and renumbering the remaining subparagraphs.

11 EXPLANATION

12 Current law exempts from the sales tax the sale of certain
13 clothing and footwear if the sale is made on the first Friday
14 or the following Saturday of August. This bill expands the
15 exemption to include sales made on the first Friday or the
16 following Saturday in March.

17 In addition, current law provides that the exemption is not
18 currently available if the clothing or footwear is primarily
19 designed for athletic activity or protective use. The bill
20 strikes that provision.

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