

FEB 27 2001

WAYS AND MEANS

HOUSE FILE 424  
BY HOVERSTEN

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to the sales and use tax exemption for fees  
2 charged for participation in any athletic sports.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 424

1 Section 1. Section 422.45, subsection 20, Code 2001, is  
2 amended to read as follows:

3 20. The gross receipts from sales or services rendered,  
4 furnished, or performed by a county or city. This exemption  
5 does not apply to the tax specifically imposed under section  
6 422.43 on the gross receipts from the sales, furnishing, or  
7 service of gas, electricity, water, heat, pay television  
8 service, and communication service to the public by a  
9 municipal corporation in its proprietary capacity; does not  
10 apply to the sales, furnishing, or service of solid waste  
11 collection and disposal service to nonresidential commercial  
12 operations; does not apply to the sales, furnishing, or  
13 service of sewage service for nonresidential commercial  
14 operations; and does not apply to fees paid to cities and  
15 counties for the privilege of participating in any athletic  
16 sports sponsored by a city or county.

17 EXPLANATION

18 Current law provides that the exemption from sales and use  
19 taxes of fees paid to cities and counties does not apply to  
20 fees paid for the privilege of participating in any athletic  
21 sports. This bill limits this nonapplicability of the  
22 exemption only to those fees paid for the privilege of  
23 participating in any sports which are sponsored by a city or  
24 county.

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