

MAR 9 2007

WAYS AND MEANS

WITHDRAWN  
1-15-02

HOUSE FILE 573

BY DRAKE

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

**A BILL FOR**

1 An Act relating to the application of sales and services tax  
2 receipts by a political subdivision to the payment of  
3 principal and interest of certain bonds.

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

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HF 573

1 Section 1. Section 76.4, Code 2001, is amended to read as  
2 follows:

3 76.4 PERMISSIVE APPLICATION OF FUNDS.

4 Whenever the governing authority of such political  
5 subdivision shall have on hand funds derived from any other  
6 source than taxation which may be appropriated to the payment  
7 either of interest or principal, or both principal and  
8 interest of such bonds, such funds may be so appropriated and  
9 used and the levy for the payment of the bonds correspondingly  
10 reduced. This section shall not restrict the authority of a  
11 political subdivision to apply sales and services tax receipts  
12 collected pursuant to chapters 422B and 422E for such purpose.

13 EXPLANATION

14 This bill provides that Code section 76.4, which authorizes  
15 the reduction of a levy for the payment of bonds when the  
16 governing authority of a political subdivision has  
17 nontaxation-related funds on hand to appropriate for the  
18 payment of bond interest or principal, shall not restrict or  
19 impact the political subdivision's authority to apply sales  
20 and services tax receipts collected pursuant to Code chapters  
21 422B or 422E for the same purpose.

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