

MAY 2 2001  
WAYS & MEANS CALENDAR

HOUSE FILE 752  
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 448)

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

**A BILL FOR**

1 An Act exempting from sales and use taxes the purchase of coins,  
2 currency, and bullion and including an effective date.

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

4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
3

HF 752

1 Section 1. Section 422.45, Code 2001, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 60. a. The gross receipts from the sale  
4 of coins, currency, or bullion.

5 b. For purposes of this subsection:

6 (1) "Bullion" means bars, ingots, or commemorative  
7 medallions of gold, silver, platinum, palladium, or a  
8 combination of these where the value of the metal depends on  
9 its content and not the form.

10 (2) "Coins or currency" means a coin or currency made of  
11 gold, silver, or other metal or paper which is or has been  
12 used as legal tender.

13 c. This subsection is repealed July 1, 2005.

14 Sec. 2. EFFECTIVE DATE. This Act takes effect January 1,  
15 2003.

16 EXPLANATION

17 This bill exempts from sales and use taxes the purchase of  
18 coins, currency, or bullion. The exemption takes effect  
19 January 1, 2003, and is repealed July 1, 2005.

20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35

**HOUSE FILE 752  
FISCAL NOTE**

---

A fiscal note for **House File 752** is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

---

House File 752 exempts the sale of coins, currency, and bullion from the State sales tax and local option sales tax. The exemption is first effective January 1, 2003, and is repealed July 2005.

**ASSUMPTIONS**

1. Taxable Iowa sales of coins, currency, and bullion average \$4.0 million per year.
2. The State sales tax is 5.0% and local option sales taxes raise 18.7% of the amount raised by the State sales tax.

**FISCAL IMPACT**

The tax exemption in House File 752 will reduce General Fund receipts by the following schedule:

FY 2003 - \$100,000  
FY 2004 - \$200,000  
FY 2005 - \$200,000

The impact on local option sales tax receipts would be \$18,700 in FY 2003 and \$37,400 in FY 2004 and FY 2005.

**SOURCE**

Department of Revenue and Finance

(LSB 3058HV, JWR)

FILED MAY 2, 2001

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 752

H-1915

1 Amend House File 752 as follows:

2 1. Page 1, by striking lines 5 through 10 and  
3 inserting the following:

4 "b. For purposes of this subsection, "coins or  
5 currency" means a coin or currency made of".

6 2. Page 1, line 13, by striking the figure "2005"  
7 and inserting the following: "2004".

8 3. Page 1, line 15, by striking the figure "2003"  
9 and inserting the following: "2002".

By FALLON of Polk

H-1915 FILED MAY 2, 2001