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HSB 256

WAYS AND MEANS

Succeeded By

HOUSE FILE CE (HF) 754
BY (PROPOSED COMMITTEE ON WAYS
AND MEANS BILL BY
CHAIRPERSON VAN FOSSEN)

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

A BILL FOR

1 An Act relating to species of animals by classifying certain
2 species as livestock and providing exemptions from the sales
3 and use tax for feed used to support the species.

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

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1 Section 1. Section 422.42, Code 2001, is amended by adding
2 the following new subsections:

3 NEW SUBSECTION. 3A. "Farm deer" means the same as defined
4 in section 189A.2.

5 NEW SUBSECTION. 6A. "Livestock" includes but is not
6 limited to an animal classified as an ostrich, rhea, or emu;
7 bison; or farm deer.

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

10 NEW SUBSECTION. 16. The gross receipts from the sale of
11 feed and feed supplements and additives when used for
12 consumption by farm deer or bison.

13 EXPLANATION

14 This bill amends several provisions relating to livestock,
15 by providing that the provisions apply to special species
16 including farm deer and bison. The Code defines "farm deer"
17 in several sections, including section 189A.2, to mean an
18 animal belonging to the cervidae family and classified as part
19 of the dama species of the dama genus, commonly referred to as
20 fallow deer; part of the elaphus species of the cervus genus,
21 commonly referred to as red deer or elk; or part of the nippon
22 species of the cervus genus, commonly referred to as sika.
23 However, a farm deer does not include any unmarked free-
24 ranging elk.

25 Code chapter 422, division IV, provides for retail sales
26 tax and exemptions. Code section 422.42 provides definitions
27 for the division. It excludes from the definition of retail
28 sale agricultural breeding livestock and domesticated fowl.
29 Code section 422.45 contains exemptions for items related to
30 livestock production (e.g., the sale of equipment and
31 machinery or replacement parts for equipment or machinery
32 associated with livestock production, and the sale of bedding
33 materials). This bill amends the definition of livestock
34 contained in Code section 422.42 to include farm deer and
35 bison, as well as ostriches, rheas, or emus (already

LSB 256

S.F. _____ H.F. _____

1 considered livestock under Code section 4.1). In addition,
2 the bill exempts from the sales and use taxes the sale of feed
3 to be used for consumption by farm deer and bison. Sales of
4 feed supplements and additives used for the same purpose are
5 also exempt.

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MAY 2 2001
WAYS & MEANS CALENDAR

HOUSE FILE 754
BY COMMITTEE ON WAYS AND MEANS

WITHDRAWN
2/19/02

(SUCCESSOR TO HSB 256)

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

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HC 754

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**HOUSE FILE 754
FISCAL NOTE**

A fiscal note for **House File 754** 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.

SUMMARY

House File 754 changes the definition of agricultural breeding stock and domesticated fowl to include farm deer, bison, ostriches, and rheas, exempting these types of livestock from sales and use tax. The Bill also exempts the sale of feed, feed supplements, and additives from sales and use tax.

ASSUMPTIONS

1. Under current law, agricultural producers of farm deer, bison, ostriches, and rheas are required to pay sales or use tax for the sale of agricultural breeding stock and feed supplies.
2. Under current practices, few producers are paying sales or use tax for the agricultural breeding stock or feed supplies.

FISCAL IMPACT

The provisions of House File 754 reflect current practices, therefore, the estimated fiscal impact would be minimal.

SOURCE

Iowa Elk Breeders Association

(LSB 3671hv, DFK)

FILED MAY 2, 2001

BY DENNIS PROUTY, FISCAL DIRECTOR