

JAN 15 2002

WAYS AND MEANS

HOUSE FILE 2086

BY SHEY

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the refund of sales or use tax paid on
2 materials used in the construction of a nonprofit private
3 museum and including an effective and applicability date
4 provision.

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

HF 2086

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1 Section 1. Section 422.45, subsection 7, unnumbered
2 paragraph 1, Code Supplement 2001, is amended to read as
3 follows:

4 A private nonprofit educational institution in this state,
5 nonprofit private museum in this state, tax-certifying or tax-
6 levying body or governmental subdivision of the state,
7 including the state board of regents, state department of
8 human services, state department of transportation, a
9 municipally owned solid waste facility which sells all or part
10 of its processed waste as fuel to a municipally owned public
11 utility, and all divisions, boards, commissions, agencies, or
12 instrumentalities of state, federal, county, or municipal
13 government which do not have earnings going to the benefit of
14 an equity investor or stockholder, may make application to the
15 department for the refund of the sales, services, or use tax
16 upon the gross receipts of all sales of goods, wares, or
17 merchandise, or from services rendered, furnished, or
18 performed, to a contractor, used in the fulfillment of a
19 written contract with the state of Iowa, any political
20 subdivision of the state, or a division, board, commission,
21 agency, or instrumentality of the state or a political
22 subdivision, a private nonprofit educational institution in
23 this state, or a nonprofit private museum in this state if the
24 property becomes an integral part of the project under
25 contract and at the completion of the project becomes public
26 property, is devoted to educational uses, or becomes a
27 nonprofit private museum; except goods, wares, or merchandise,
28 or services rendered, furnished, or performed used in the
29 performance of any contract in connection with the operation
30 of any municipal utility engaged in selling gas, electricity,
31 or heat to the general public or in connection with the
32 operation of a municipal pay television system; and except
33 goods, wares, and merchandise used in the performance of a
34 contract for a "project" under chapter 419 as defined in that
35 chapter other than goods, wares, or merchandise used in the

1 performance of a contract for a "project" under chapter 419
2 for which a bond issue was approved by a municipality prior to
3 July 1, 1968, or for which the goods, wares, or merchandise
4 becomes an integral part of the project under contract and at
5 the completion of the project becomes public property, or is
6 devoted to educational uses, or becomes a nonprofit private
7 museum.

8 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
9 immediate importance, takes effect upon enactment and applies
10 to nonprofit private museum projects completed on or after the
11 effective date of this Act.

12 EXPLANATION

13 This bill provides that a nonprofit private museum is
14 entitled to receive a refund of any sales or use tax paid by
15 the contractor for materials used in the construction of the
16 museum if the construction is financed by city or county
17 revenue bonds. Present law allows this refund for nonprofit
18 private museums except if the construction is financed by city
19 or county revenue bonds.

20 The bill takes effect upon enactment and applies to museum
21 projects completed after that date.

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