

FILED MAR 8 '01

408

SENATE FILE

BY LUNDBY

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to services provided by attorneys, private  
2 investigators, and detectives, including services related to  
3 the recovery of abandoned property and imposition of the sales  
4 tax on detective services.

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

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SF 408  
WAYS & MEANS

1 Section 1. Section 22.7, subsection 32, Code 2001, is  
2 amended to read as follows:

3 32. Social security numbers of the owners of unclaimed  
4 property reported to the treasurer of state pursuant to  
5 section 556.11, subsection 2, included on claim forms filed  
6 with the treasurer of state pursuant to section 556.19,  
7 included in outdated warrant reports received by the treasurer  
8 of state pursuant to section 25.2, or stored in record systems  
9 maintained by the treasurer of state for purposes of  
10 administering chapter 556, or social security numbers of  
11 payees included on state warrants included in records systems  
12 maintained by the department of revenue and finance for the  
13 purpose of documenting and tracking outdated warrants pursuant  
14 to section 25.2.

15 However, information contained in reports by a holder of  
16 property presumed abandoned under chapter 556, made to the  
17 treasurer of state pursuant to section 556.11, subsection 2,  
18 including but not limited to the social security numbers and  
19 birth dates of persons who appear from the records of a holder  
20 to be the owners of the property presumed to be abandoned,  
21 shall be subject to disclosure by the treasurer, upon request,  
22 to attorneys and private investigators licensed in this state,  
23 for the purpose of confirming the identity of the owners or  
24 heirs of the owners of the property that is presumed to be  
25 abandoned.

26 Sec. 2. Section 422.43, subsection 11, unnumbered  
27 paragraph 1, Code 2001, is amended to read as follows:

28 The following enumerated services are subject to the tax  
29 imposed on gross taxable services: alteration and garment  
30 repair; armored car; vehicle repair; battery, tire, and  
31 allied; investment counseling; service charges of all  
32 financial institutions; barber and beauty; boat repair;  
33 vehicle wash and wax; carpentry; roof, shingle, and glass  
34 repair; dance schools and dance studios; dating services; dry  
35 cleaning, pressing, dyeing, and laundering; electrical and

1 electronic repair and installation; rental of tangible  
2 personal property, except mobile homes which are tangible  
3 personal property; excavating and grading; farm implement  
4 repair of all kinds; flying service; furniture, rug,  
5 upholstery repair and cleaning; fur storage and repair; golf  
6 and country clubs and all commercial recreation; house and  
7 building moving; household appliance, television, and radio  
8 repair; jewelry and watch repair; limousine service, including  
9 driver; machine operator; machine repair of all kinds; motor  
10 repair; motorcycle, scooter, and bicycle repair; oilers and  
11 lubricators; office and business machine repair; painting,  
12 papering, and interior decorating; parking facilities; pipe  
13 fitting and plumbing; wood preparation; licensed executive  
14 search agencies; private employment agencies, excluding  
15 services for placing a person in employment where the  
16 principal place of employment of that person is to be located  
17 outside of the state; sewage services for nonresidential  
18 commercial operations; sewing and stitching; shoe repair and  
19 shoeshine; sign construction and installation; storage of  
20 household goods, mini-storage, and warehousing of raw  
21 agricultural products; swimming pool cleaning and maintenance;  
22 taxidermy services; telephone answering service; test  
23 laboratories, including mobile testing laboratories and field  
24 testing by testing laboratories, and excluding tests on humans  
25 or animals; termite, bug, roach, and pest eradicators; tin and  
26 sheet metal repair; turkish baths, massage, and reducing  
27 salons, excluding services provided by massage therapists  
28 licensed under chapter 152C; weighing; welding; well drilling;  
29 wrapping, packing, and packaging of merchandise other than  
30 processed meat, fish, fowl, and vegetables; wrecking service;  
31 wrecker and towing; pay television; campgrounds; carpet and  
32 upholstery cleaning; gun and camera repair; janitorial and  
33 building maintenance or cleaning; lawn care, landscaping, and  
34 tree trimming and removal; pet grooming; reflexology; security  
35 and-detective services; tanning beds or salons; and water

1 conditioning and softening.

2 Sec. 3. Section 556.11, unnumbered paragraph 1, which  
3 follows subsection 8, paragraph b, Code 2001, is amended to  
4 read as follows:

5 9. All agreements to pay compensation to recover or assist  
6 in the recovery of property reported under this section, made  
7 within twenty-four months after the date payment or delivery  
8 is made under section 556.13 are unenforceable. However, such  
9 agreements made after twenty-four months from the date of  
10 payment or delivery are valid if the fee or compensation  
11 agreed upon is not more than ~~fifteen~~ thirty percent of the  
12 recoverable property, the agreement is in writing and signed  
13 by the owner, and the writing discloses the nature and value  
14 of the property and the name and address of the person in  
15 possession. This section does not prevent an owner from  
16 asserting, at any time, that an agreement to locate property  
17 is based upon excessive or unjust consideration. This section  
18 does not apply to an owner who has a bona fide fee contract  
19 with a practicing attorney and counselor as described in  
20 chapter 602, article 10.

21 EXPLANATION

22 This bill relates to investigators, detectives, and  
23 attorneys and their recovery of abandoned property and the  
24 taxation of their services. It amends Code section 22.7,  
25 subsection 32, to provide that information contained in  
26 reports by a holder of property presumed abandoned, which are  
27 made to the state treasurer, including social security numbers  
28 and birth dates of persons who appear to be the owners of the  
29 property, which is now considered to be confidential is  
30 subject to disclosure to licensed attorneys and private  
31 investigators in this state for the purpose of confirming the  
32 identity of the owners or heirs of the owners of the property  
33 that is presumed abandoned.

34 The bill eliminates detective services from the listing of  
35 those services upon which the sales tax on services is

1 imposed.

2     The bill increases from 15 percent to 30 percent the  
3 maximum rate that may be agreed upon for the recovery or  
4 assistance in recovery of abandoned property after 24 months  
5 from the date of payment or delivery.

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