

JAN 12 2005  
WAYS AND MEANS

HOUSE FILE 48  
BY JOCHUM

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

**A BILL FOR**

1 An Act providing for a sales and use tax exemption for the  
2 purchase of toys to be distributed by a nonprofit organization  
3 at no cost.

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

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TLSB 1658HH 81

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1 Section 1. Section 423.3, Code 2005, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 85. The sales price from the sales of  
4 toys to a nonprofit organization exempt from federal income  
5 tax under section 501 of the Internal Revenue Code that  
6 purchases the toys from donations collected by the nonprofit  
7 organization and distributes the toys to children at no cost.

8 EXPLANATION

9 This bill exempts from the sales and use taxes the sales of  
10 toys to a nonprofit section 501 organization that purchases  
11 the toys from donations collected by it and distributes the  
12 toys to children at no cost. An example of such an  
13 organization would be the United States marine corps auxiliary  
14 that operates the toys for tots program.

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