

JAN 20 2005
WAYS AND MEANS

HOUSE FILE 101
BY LUKAN, STRUYK, KAUFMANN,
and S. OLSON

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

A BILL FOR

1 An Act exempting the sale of toys to certain nonprofit
2 organizations from state sales and use taxes.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 101

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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