

FEB 16 2005  
WAYS & MEANS CALENDAR

HOUSE FILE 313  
BY COMMITTEE ON WAYS  
AND MEANS

(SUCCESSOR TO HSB 78)

Passed House, Date 2-23-05 Passed Senate, Date 4-18-05  
Vote: Ayes 97 Nays 0 Vote: Ayes 48 Nays 0  
Approved 4-29-05

**A BILL FOR**

1 An Act relating to the establishment of an industrial processing  
2 exemption study committee and including an effective date.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 313

1 Section 1. INDUSTRIAL PROCESSING EXEMPTION STUDY  
2 COMMITTEE. Upon enactment of this Act, the department of  
3 revenue shall initiate and coordinate the establishment of an  
4 industrial processing exemption study committee and provide  
5 staffing assistance to the committee. It is the intent of the  
6 general assembly that the committee shall include  
7 representatives of the department of revenue, department of  
8 management, industrial producers including manufacturers,  
9 fabricators, printers and publishers, and an association that  
10 specifically represents business tax issues, and other  
11 stakeholders.

12 The industrial processing exemption under the sales and use  
13 tax is a significant exemption for business. The committee  
14 shall study and make legislative and administrative  
15 recommendations relating to Iowa's processing exemption to  
16 ensure maximum utilization by Iowa's industries.

17 The committee shall study and make recommendations  
18 regarding all of the following:

19 1. The current sales and use tax industrial processing  
20 exemption.

21 2. The corresponding administrative rules, including a  
22 review and recommendation of an administrative rules process  
23 relating to the industrial processing exemption prior to  
24 filing with the administrative rules review committee.

25 3. Other states' industrial processing exemptions.

26 4. Recommendations for change for issues including  
27 effectiveness and competitiveness.

28 5. Development of additional publications to improve  
29 compliance.

30 The committee shall annually report to the general assembly  
31 by January 1 of each year through January 1, 2013.

32 Sec. 2. EFFECTIVE DATE. This Act, being deemed of  
33 immediate importance, takes effect upon enactment.

34 EXPLANATION

35 This bill requires the department of revenue to establish

1 and provide staffing for a study committee to study and make  
2 recommendations relating to the sales tax exemption for  
3 industrial processing. Membership of this committee would  
4 include representatives of the departments of revenue and  
5 management, industrial producers including manufacturers,  
6 fabricators, printers, and other stakeholders. The committee  
7 is to report to the general assembly by January 1 of each year  
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HSB 78  
WAYS AND MEANS

HOUSE FILE SF 3/3 <sup>By</sup>  
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 \_\_\_\_\_

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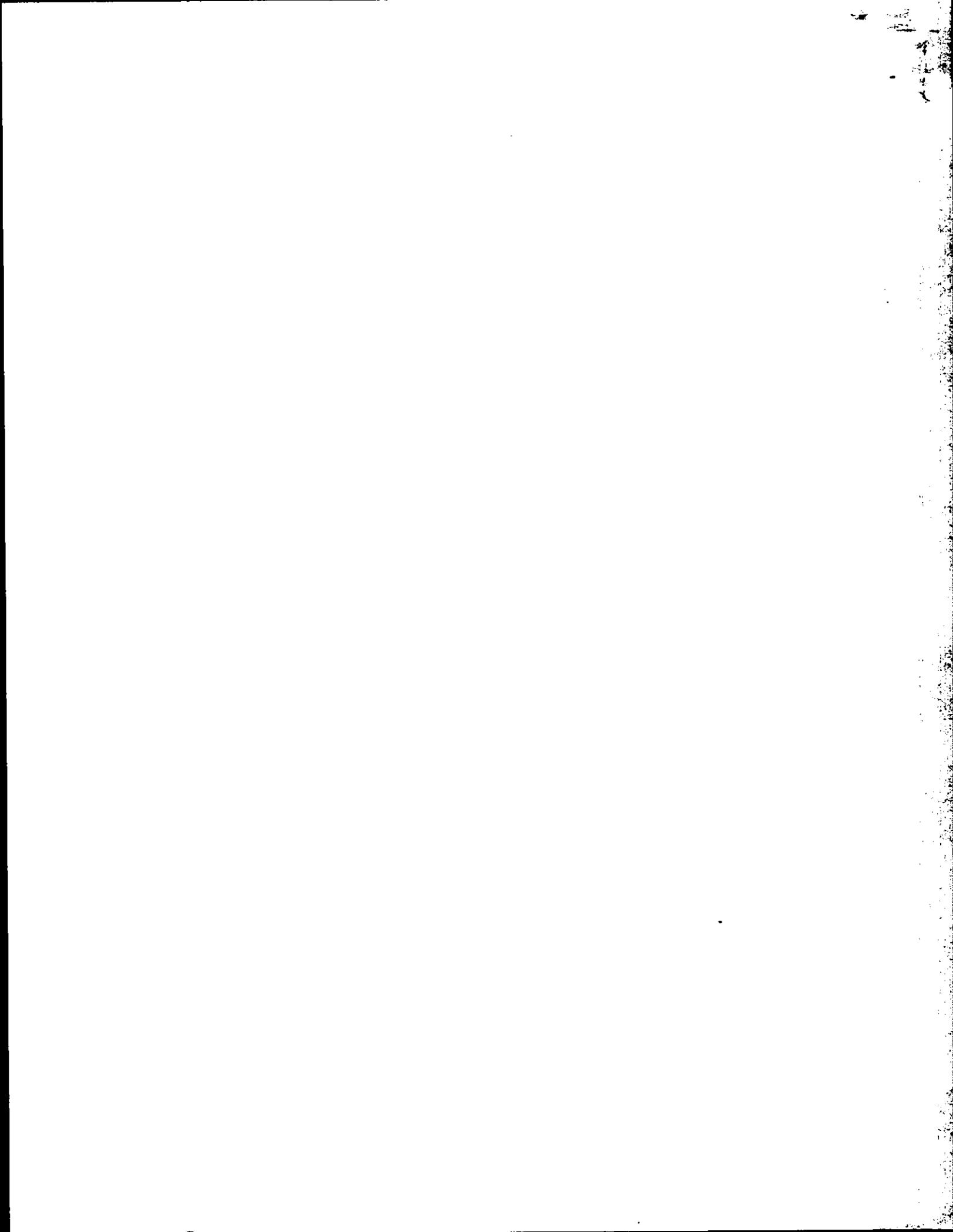
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HOUSE FILE 313

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RELATING TO THE ESTABLISHMENT OF AN INDUSTRIAL PROCESSING  
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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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CHRISTOPHER C. RANTS  
Speaker of the House

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JOHN P. KIBBIE  
President of the Senate

I hereby certify that this bill originated in the House and  
is known as House File 313, Eighty-first General Assembly.

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MARGARET THOMSON  
Chief Clerk of the House

Approved 4/29, 2005

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THOMAS J. VILSACK  
Governor

