

24 f. a son or daughter of a brother or sister of the taxpayer,  
 25 g. a brother or sister of the father or mother of the taxpayer,  
 26 h. a son-in-law, daughter-in-law, father-in-law, mother-in-law,  
 27 brother-in-law, or sister-in-law of the taxpayer. As used in this para-  
 28 graph the terms 'brother' and 'sister' include a brother or sister by the  
 29 half blood. For the purposes of determining whether any of the fore-  
 30 going relationships exist, a legally adopted child of a person shall be  
 31 considered a child of such person by blood. The term 'dependent' does  
 32 not include any individual who is a citizen or subject of a foreign  
 33 country unless such individual is a resident of the United States or  
 34 of a country contiguous to the United States.

35 "If the taxpayer would not occupy the status of head of a family  
 36 except by reason of there being one or more dependents for whom  
 37 he would be entitled to credit under this section, credit for dependents  
 38 shall be disallowed with respect to one of such dependents.

39 "If the status of a taxpayer changes during the year because of the  
 40 death of a dependent reported by him or if a child of the taxpayer  
 41 reported by him is born or dies during the year, the full dependent  
 42 claim shall be allowed with respect to such child or deceased child.

43 "The provisions of this Act shall be effective as to returns made upon  
 44 income earned during the calendar year 1953, or as to any return made  
 45 for a fiscal year beginning after January 1, 1953."

Approved April 29, 1953.

## CHAPTER 206

### SALES AND USE TAX

#### H. F. 44

AN ACT relating to the payment of sales and use tax by tax certifying and tax levying bodies and to amend and repeal certain sections of chapter four hundred twenty-two (422) and chapter four hundred twenty-three (423), Code 1950, relating thereto and enact substitutes therefor.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section four hundred twenty-two point forty-seven  
 2 (422.47), Code 1950, is amended by striking therefrom all of sub-  
 3 sections four (4) to seven (7) inclusive.

1 SEC. 2. Section four hundred twenty-two point forty-five (422.45),  
 2 Code 1950, is amended by repealing subsection three (3) and by add-  
 3 ing the following new subsections:

4 "5. The gross receipts of all sales of goods, wares or merchandise  
 5 used for public purposes to any tax certifying or tax levying body of  
 6 the State of Iowa or governmental subdivision thereof, except sales  
 7 of goods, wares or merchandise used by or in connection with the  
 8 operation of any municipally-owned public utility engaged in selling  
 9 gas, electricity, or heat to the general public.

10 "The exemption provided by this subsection shall also apply to all  
 11 sales of goods, wares or merchandise used for public purposes to any  
 12 tax certifying or tax levying body of the State of Iowa or govern-

13 mental subdivision thereof which are subject to use tax under the  
14 provisions of chapter four hundred twenty-three (423).

15 "6. Any tax certifying or tax levying body of the State of Iowa or  
16 governmental subdivision thereof may make application to the state  
17 tax commission for the refund of any sales or use tax upon the gross  
18 receipts of all sales of goods, wares or merchandise to any contrac-  
19 tor, used in the fulfillment of any written contract with the State  
20 of Iowa or any political subdivision thereof, which property becomes  
21 an integral part of the project under contract and at the completion  
22 thereof becomes public property, except goods, wares or merchandise  
23 used in the performance of any contract in connection with the opera-  
24 tion of any municipal utility engaged in selling gas, electricity, or  
25 heat to the general public.

26 "a. Such contractor shall state under oath, on forms provided by  
27 the state tax commission, the amount of such sales of goods, wares  
28 or merchandise used in the performance of such contract, and upon  
29 which sales or use tax has been paid, and shall file such forms with  
30 the governmental unit which has made any written contract for per-  
31 formance by said contractor. Such forms shall be filed by the con-  
32 tractor with the governmental unit before final settlement is made.

33 "b. Such governmental unit shall, not more than sixty (60) days  
34 after the final settlement has been made, make application to the state  
35 tax commission for any refund of the amount of such sales or use  
36 tax which shall have been paid upon any goods, wares or merchan-  
37 dise, such application to be made in the manner and upon forms to be  
38 provided by the state tax commission, and the state tax commission  
39 shall forthwith audit such claim and, if approved, request the comp-  
40 troller to issue his warrant to such governmental unit in the amount  
41 of such sales or use tax which has been paid to the State of Iowa  
42 under such contract.

43 "c. Any contractor who shall willfully make false report of tax  
44 paid under the provisions of this subsection shall be guilty of a mis-  
45 demeanor and in addition thereto shall be liable for the payment of  
46 the tax with penalty and interest thereon."

1 SEC. 3. Any tax certifying or tax levying body which has paid  
2 taxes prior to the effective date of this Act which would have been  
3 refundable under section four hundred twenty-two point forty-seven  
4 (422.47) subsections four (4) to seven (7), inclusive, Code 1950,  
5 shall be entitled to such accrued refunds in the same manner and by  
6 the same procedure as heretofore provided by said section and sub-  
7 sections, but all claims for such refunds which are not certified to the  
8 state tax commission within thirty (30) days after the last day of  
9 the quarter ending next subsequent to the effective date of this Act  
10 shall be forfeited and forever barred.

Approved April 23, 1953.