

the city of Des Moines, and shall meet in July of each year and at other times and places as it finds necessary for the discharge of its duties.

Sec. 32. Section 99D.7, subsection 8, Code 1989, is amended to read as follows:

8. To investigate alleged violations of this chapter or the commission rules, orders, or final decisions and to take appropriate disciplinary action against a licensee or a holder of an occupational license for the violation, or institute appropriate legal action for enforcement, or both. Decisions by the commission are final agency actions pursuant to chapter 17A.

Sec. 33. Section 99F.6, subsection 8, as enacted by 1989 Iowa Acts, Senate File 124, section 6, is amended by striking the subsection and inserting in lieu thereof the following:

8. a. The licensee or a holder of an occupational license shall consent to the search, without a warrant, by agents of the division of criminal investigation of the department of public safety or commission employees designated by the secretary of the commission, of the licensee's or holder's person, personal property, and effects, and premises which are located on the excursion gambling boat or adjacent facilities under control of the licensee, in order to inspect or investigate for violations of this chapter or rules adopted by the commission pursuant to this chapter. The department or commission may also obtain administrative search warrants under section 808.14.

b. However, this subsection shall not be construed to permit a warrantless inspection of living quarters or sleeping rooms on the riverboat if all of the following are true:

(1) The licensee has specifically identified those areas which are to be used as living quarters or sleeping rooms in writing to the commission.

(2) Gaming is not permitted in the living quarters or sleeping rooms, and devices, records, or other items relating to the licensee's gaming operations are not stored, kept, or maintained in the living quarters or sleeping rooms.

(3) Alcoholic beverages are not stored, kept, or maintained in the living quarters or sleeping rooms except those legally possessed by the individual occupying the quarters or room.

c. The commission shall adopt rules to enforce this subsection.

Sec. 34. Section 537A.4, unnumbered paragraph 2, Code 1989, is amended to read as follows:

This section does not apply to a contract for the operation of or for the sale or rental of equipment for games of skill or games of chance, if both the contract and the games are in compliance with chapter 99B. This section does not apply to wagering under the pari-mutuel method of wagering authorized by chapter 99D. This section does not apply to the sale, purchase or redemption of a ticket or share in the state lottery in compliance with chapter 99E. This section does not apply to the sale, purchase, or redemption of any ticket or similar gambling device legally purchased in Indian lands within this state.

Sec. 35. Section 10A.701, Code 1989, is repealed.

Approved May 26, 1989

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## CHAPTER 232

### SALES TAX EXEMPTION FOR CONSUMER RENTAL PURCHASE PROPERTY

H.F. 770

**AN ACT** relating to the sales and use tax and providing an exemption from taxation for consumer rental purchases.

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

Section 1. Section 422.45, subsection 18, Code 1989, is amended to read as follows:

18. Gross receipts from the sale of tangible personal property, except vehicles subject to registration, to a person regularly engaged in the business of leasing if the period of the lease is for more than one year, ~~such tangible personal property or in the consumer rental purchase business if the property is to be utilized in a transaction involving a consumer rental purchase agreement as defined in section 537.3604, subsection 8, and the leasing or consumer rental of such the property is subject to taxation under this division.~~ ~~Tangible~~ If tangible personal property exempt under this subsection ~~if is~~ made use of for any purpose other than leasing, ~~or~~ renting, ~~or consumer rental purchase~~, the person claiming the exemption under this subsection ~~shall be is~~ liable for the tax that would have been due except for this subsection. The tax shall be computed upon the original purchase price. The aggregate of the tax paid on the leasing ~~or rental, renting, or rental purchase~~ of such tangible personal property, not to exceed the amount of the sales tax owed, shall be credited against ~~such the~~ tax. This sales tax ~~shall be is~~ in addition to any sales or use tax that may be imposed as a result of the disposal of such tangible personal property.

Sec. 2. Section 422.52, Code 1989, is amended by adding the following new subsection:  
NEW SUBSECTION. 7. The tax on gross receipts from the sale or rental of tangible personal property under a consumer rental purchase agreement as defined in section 537.3604, subsection 8, is payable in the tax period of receipt.

Approved May 26, 1989

## CHAPTER 233

### REIMBURSEMENT FOR RENT CONSTITUTING PROPERTY TAX PAID

*H.F. 771*

**AN ACT** relating to eligibility for reimbursement for rent constituting property tax paid and providing for a retroactive applicability date.

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

Section 1. Section 425.17, subsection 4, Code 1989, is amended to read as follows:

4. "Homestead" means the dwelling owned or rented and actually used as a home by the claimant during all or part of the base year, and so much of the land surrounding it including one or more contiguous lots or tracts of land, as is reasonably necessary for use of the dwelling as a home, and may consist of a part of a multidwelling or multipurpose building and a part of the land upon which it is built. It does not include personal property except that a mobile home may be a homestead. Any dwelling or a part of a multidwelling or multipurpose building which is exempt from taxation does not qualify as a homestead under this division. However, solely for purposes of claimants living in a property and receiving reimbursement for rent constituting property taxes paid immediately before the property becomes tax exempt, and continuing to live in it after it becomes tax exempt, the property shall continue to be classified as a homestead. A homestead must be located in this state. When a person is confined in a nursing home, extended-care facility, or hospital, the person shall be considered as occupying or living in the person's homestead if the person is the owner of the homestead and the person maintains the homestead and does not lease, rent, or otherwise receive profits from other persons for the use of the homestead.

Sec. 2. This Act applies retroactively to January 1, 1988.

Approved May 26, 1989