

Sec. 3. This Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to January 1, 1995, for tax years beginning on or after that date.

Approved May 1, 1995

CHAPTER 142
SALES TAX EXEMPTION FOR AIRCRAFT
S.F. 181

AN ACT providing a sales tax exemption relating to aircraft, limiting the amount of refunds, and providing effective date and retroactive applicability provisions.

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

Section 1. Section 422.45, Code 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 38A. The gross receipts from the sale or rental of aircraft; the sale or rental of tangible personal property permanently affixed or attached as a component part of the aircraft, including but not limited to repair or replacement materials or parts; and the gross receipts of all services used for aircraft repair, remodeling, and maintenance services when such services are performed on aircraft, aircraft engines, or aircraft component materials or parts. For the purposes of this exemption, "aircraft" means aircraft used in a scheduled interstate federal aviation administration-certified air carrier operation.

Sec. 2. **REFUNDS.** Refunds of taxes, interest, or penalties which arise from claims resulting from the enactment of section 422.45, subsection 38A, in this Act, occurring between July 1, 1988, and June 30, 1995, shall not be allowed unless filed prior to October 1, 1995 and shall be limited to twenty-five thousand dollars in the aggregate, notwithstanding any other provision of law. If the amount of claims totals more than twenty-five thousand dollars in the aggregate, the department of revenue and finance shall prorate the twenty-five thousand dollars among all claimants in relation to the amounts of the claimants' valid claims.

Sec. 3. **EFFECTIVE DATE AND RETROACTIVE APPLICABILITY PROVISION.** This Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 1988.

Approved May 1, 1995