

# House File 336 - Introduced

HOUSE FILE \_\_\_\_\_  
BY SWAIM and WHITAKER

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to the proceeds of penalties collected for  
2 possession of unstamped cigarettes in the state.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 2322YH 83  
5 pf/nh/5

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1 1 Section 1. Section 453A.35, Code 2009, is amended to read  
1 2 as follows:  
1 3 453A.35 TAX AND FEES PAID TO GENERAL FUND OR CITY OR  
1 4 COUNTY GENERAL FUND == STANDING APPROPRIATION TO HEALTH CARE  
1 5 TRUST FUND.

1 6 1. The Except as otherwise provided in this section, the  
1 7 proceeds derived from the sale of stamps and the payment of  
1 8 taxes, fees, and penalties provided for under this chapter,  
1 9 and the permit fees received from all permits issued by the  
1 10 department, shall be credited to the general fund of the  
1 11 state. However, beginning July 1, 2007, of the revenues  
1 12 generated from the tax on cigarettes pursuant to section  
1 13 453A.6, subsection 1, and from the tax on tobacco products as  
1 14 specified in section 453A.43, subsections 1, 2, 3, and 4, and  
1 15 credited to the general fund of the state under this  
1 16 subsection, there is appropriated, annually, to the health  
1 17 care trust fund created in section 453A.35A, the first one  
1 18 hundred twenty-seven million six hundred thousand dollars.

1 19 2. All permit fees provided for in this chapter and  
1 20 collected from cities in the issuance of permits granted by the  
1 21 cities shall be paid to the treasurer of the city where the  
1 22 permit is effective, or to another city officer as designated  
1 23 by the council, and credited to the general fund of the city.  
1 24 Permit fees so collected by counties shall be paid to the  
1 25 county treasurer.

1 26 3. Notwithstanding subsection 1, all proceeds from  
1 27 penalties collected pursuant to section 453A.31, subsection 1,  
1 28 paragraph "a", for the possession of unstamped cigarettes  
1 29 shall be paid to the treasurer of the city or county and  
1 30 credited to the general fund of the city or county, if  
1 31 collection of the proceeds from the penalty is the result of  
1 32 enforcement by the city or county.

1 33 EXPLANATION

1 34 This bill provides for the deposit of proceeds collected  
1 35 from penalties relating to the possession of unstamped  
2 1 cigarettes in the general fund of a city or county rather than  
2 2 the general fund of the state, if enforcement by the city or  
2 3 county resulted in collection of the proceeds. Under current  
2 4 law, all proceeds from these penalties are initially deposited  
2 5 in the general fund of the state.

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