

**House Study Bill 227 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
WAYS AND MEANS BILL BY  
CHAIRPERSON SANDS)

**A BILL FOR**

1 An Act relating to the sales tax exemption for certain  
2 wastewater treatment or effluent treatment services.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.3, subsection 32, paragraph c, Code  
2 2013, is amended to read as follows:

3 c. The sale or furnishing of sewage service for  
4 nonresidential commercial operations, except for water  
5 treatment or effluent treatment services to a paper recycling  
6 mill.

7 EXPLANATION

8 This bill relates to the sales tax exemption for certain  
9 wastewater treatment or effluent treatment services.

10 Currently, the sales price of tangible personal property  
11 sold, or of services furnished, by a county or city are exempt  
12 from sales tax with four listed exceptions to exemption. One  
13 of the exceptions is for the sale or furnishing of sewage  
14 service for nonresidential commercial operations. The bill  
15 excludes from the exception water treatment or effluent  
16 treatment services to a paper recycling mill which makes such  
17 services exempt from sales tax.