

February 10, 1953.  
Ways and Means.

*Rec. amendment + passage 2/11*

**H. J. R. 11**

By TATE, McNEAL, ABEL, PENDLETON, MAL-  
LONEE, SCHWENGEL, McFARLANE, KUESTER,  
WALKER, BUTLER, STRAWMAN, KLEMESRUD,  
MILLER, BASS, STEERS, LAUER, PUTNEY,  
NELSON of Woodbury, PAUL, NELSON of Jasper,  
THOMPSON, ROBINSON, MOORE, FROMMELT,  
BECK, KUDSK, MENSING, GALLUP, RAMSEYER,  
DARRINGTON, HADDEN, HUISMAN, WESTON,  
HINCHLIFFE, VAN ZWOL, BLOEDEL, BUCK,  
WHITNEY, McWHORTER, SERSLAND, CARL-  
SON, RYAN, ECKELS, HOOVER, WILSON,  
SMITH, SCHEERER, NOVAK, OPPEDAHL, KERR,  
CORNICK, HARRIS, BURROWS, BURTCH,  
SOETH, EDGINGTON, JONES, TURNER of Mills,  
CHRISTIANSEN, SHAFF, BROWN of Keokuk,  
HENRY, OBERMAN, NICHOLSON, HOTH,  
LUCKEN, WEISS, SHEROD, MORRIS, PATRICK,  
SAR, PETERSON, STEPHENSON, BROWN of Ma-  
haska, ARMSTRONG, WALTER, LUDWIG, COOK-  
SEY, VOIGTMANN, HANSON, BALLHAGEN,  
GOODE, FREY, PEDRICK, PIM, PETERS, HAW-  
KINS.

Passed House, Date *2-13-53*.....  
Vote: Ayes *82*..... Nays *20*.....  
Passed Senate, Date.....  
Vote: Ayes..... Nays.....  
Approved .....

*1/3 Senate - July 1*

**HOUSE JOINT RESOLUTION**

Providing for an increase in the gross profit markup on  
distilled spirits and wines and providing that the  
net profit resulting from such increase be transferred  
to the general fund to be used as directed by the  
legislature.

WHEREAS, the people of this country are suffering under  
an enormous tax burden resulting from federal expenditures,  
and

WHEREAS, any increase of taxes by the state or its  
political sub-divisions would grievously add to the existing  
tax burden, and

WHEREAS, the facilities of many state institutions are  
in urgent need of repair, and

WHEREAS, it is necessary and proper to increase the  
salaries of employees of the state in the lower salary levels  
to make such salaries more commensurate with the salaries paid  
by private employers and to prevent the loss of competent

personnel to private business, and

WHEREAS, by virtue of the sale of distilled spirits and wines in Iowa through the state store system, distilled spirits and wines are sold in this state at prices substantially under the national retail market, and

WHEREAS, a small increase in the selling price of distilled spirits and wines in this state would not be unfair to the purchasers thereof but would still permit a price advantage not generally enjoyed by residents of other states, and

WHEREAS, such increase would provide a source of revenue which could be used to meet expenses of the state government and obviate the necessity which otherwise would exist of raising existing taxes or levying new taxes, and

WHEREAS, the gross profit markup on distilled spirits fixed by the Iowa liquor control commission now in effect is in the amount of forty percent (40%) of the cost thereof, less the federal tax increase of November, 1951, and the gross profit markup on wines now in effect is in the amount of fifty percent (50%) of the cost thereof, less the federal tax increase of 1951; now, therefore,

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

1 Section 1. On the effective date of this act, the Iowa  
2 liquor control commission shall fix the gross profit markup  
3 on distilled spirits at fifty percent (50%) of the cost  
4 thereof, less the federal tax increase of November, 1951, and  
5 shall fix the gross profit markup on wines at sixty percent  
6 (60%) of the cost thereof, less the federal tax increase of  
7 November, 1951.

1 Sec. 2. Prior to making and distribution to cities and  
2 towns under the provisions of section one hundred twenty-three  
3 point fifty (123.50), Code 1950, and before crediting the  
4 military service tax fund under the provisions of the said  
5 section, the treasurer shall deduct from the gross amount of

- 1 Amend House Joint Resolution 11 by striking all of
- 2 section one (1) and inserting in lieu thereof the following:
- 3 "On and after the effective date of this act, the Iowa
- 4 liquor control commission shall fix the retail price of
- 5 distilled spirits on the basis of cost, including the federal
- 6 tax increase of November, 1951, plus an amount equal to
- 7 forty per cent (40%) of the cost, not including the federal
- 8 tax increase of November, 1951, plus an amount equal to ten
- 9 per cent (10%) of the total of the said amounts, and shall fix
- 10 the retail price of wines on the basis of cost, including the
- 11 federal tax increase of November, 1951, plus an amount equal
- 12 to fifty per cent (50%) of the cost, not including the federal
- 13 tax increase of November, 1951, plus an amount equal to ten
- 14 per cent (10%) of the total of the said amounts."

*adopted*  
*2/13*

Filed  
February 10, 1953.

TATE of Cerro Gordo.

- 1 Amend House Joint Resolution 11, section two (2), line eight (8),
- 2 by striking the comma (,) and the words "to be used as directed by
- 3 the legislature".
- 4 Further amend House Joint Resolution 11 by striking from lines
- 5 four (4) and five (5) of the title the words "to be used as directed
- 6 by the legislature".

*adopted*  
*2/11*

Filed  
February 11, 1953.

COMMITTEE ON WAYS AND MEANS.

COMMITTEE AMENDMENT AS CORRECTED  
HOUSE JOINT RESOLUTION 11

- 1 "Amend House Joint Resolution 11 by striking from section
- 2 two (2), line eight (8), the following: 'to be used as
- 3 directed by the legislature.' and inserting in lieu thereof
- 4 the following: 'of the state treasury.'"

Adopted  
February 13, 1953.

GOODE of Davis.

- 1 Amend the committee amendment by striking all after the word
- 2 "legislature" in line three (3) and substitute as follows: "and
- 3 insert in lieu thereof 'of the state treasury.'"

*adopted*  
*2/13*

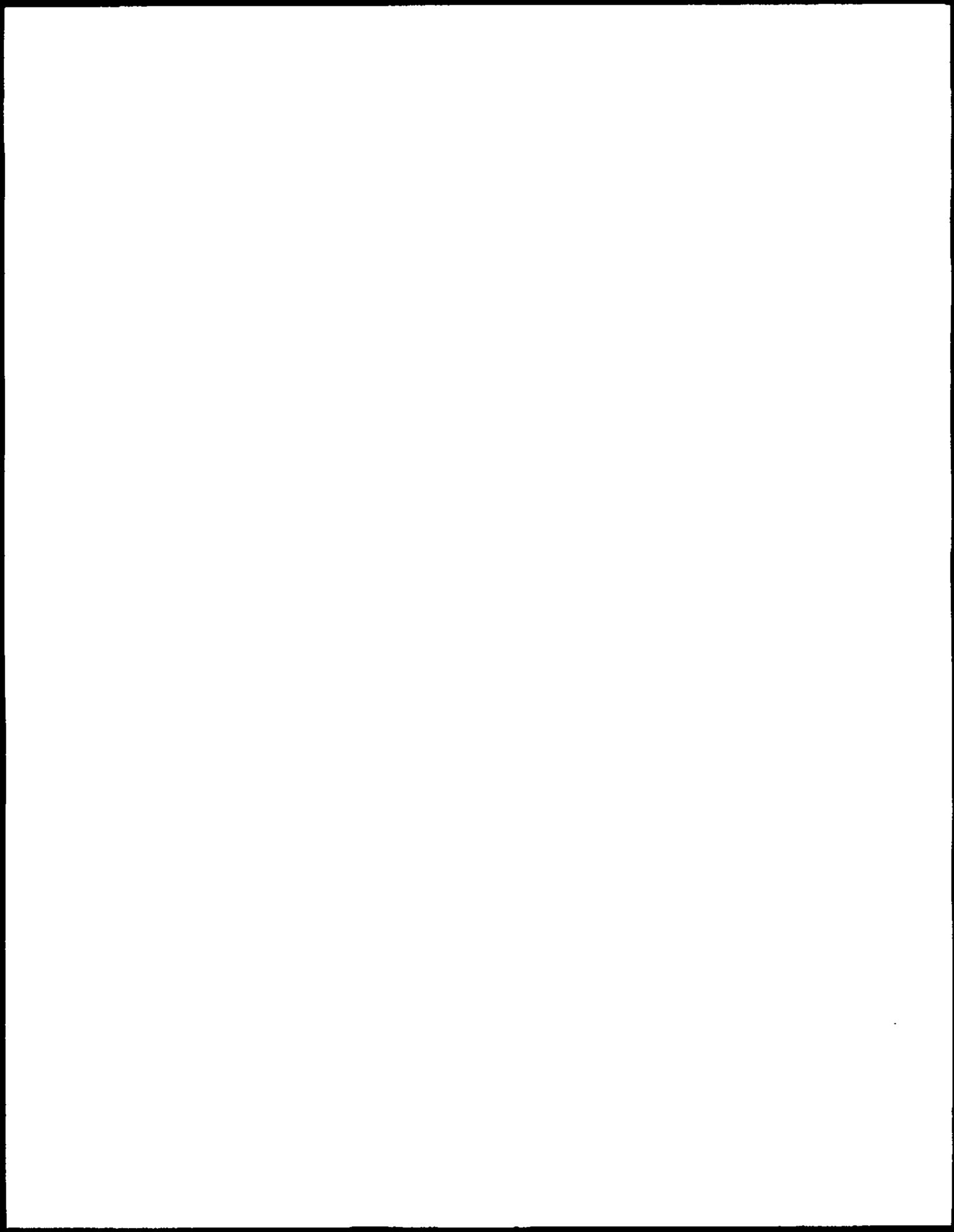
Adopted  
February 13, 1953.

GOODE of Davis.

- 1 Amend House Joint Resolution 11 by adding the following
- 2 paragraph to section 2 thereof, and to become a part of said
- 3 section 2:-
- 4 "The state treasurer shall likewise semiannually
- 5 distribute a sum of money equal to thirty-three per cent (33%)
- 6 of the gross amount of sales for permits under said section
- 7 one hundred twenty-three point twenty-eight (123.28), Code 1950,
- 8 to the School of Medicine, State University of Iowa, for such
- 9 medical and biological research as the Board of Education shall
- 10 determine."

Filed  
March 11, 1953.

By DANLEY.



6 sales of distilled spirits and wines a sum equal to ten  
7 percent (10%) thereof, which shall be transferred to the  
8 general fund, ~~to be used as directed by the legislature.~~  
9 After making the said deduction, the amounts to be distributed  
10 to cities and towns and credited to the military service tax  
11 fund under the provisions of section one hundred twenty-three  
12 point fifty (123.50), Code 1950, shall be computed on the  
13 gross amount of sales as thus reduced.

1 Sec. 3. The provisions of this resolution shall remain  
2 in effect until July 1, 1955.

1 Sec. 4. This Joint Resolution being deemed of immediate  
2 importance shall be in full force and effect from and after  
3 its publication in the Griswold American, a newspaper  
4 published at Griswold, Iowa, and in the Mason City Globe  
5 Gazette, a newspaper published at Mason City, Iowa.

#### EXPLANATION OF H. J. R. 11

This Resolution provides for a ten percent increase in the retail price of spirits and wines for the next two years, with revenue from such increase to be transferred to the general fund.

