

February 28, 1957.

House File 439

Passed on File.

By FREY, HOTH, BURRIS and CARLSEN.

Passed House, Date..... Passed Senate, Date.....

Vote: Ayes..... Nays..... Vote: Ayes..... Nays.....

Approved.....

A BILL FOR

An Act providing for the licensing and strict control of the retail sale of products sold by Iowa state liquor stores and designed to eliminate bootlegging from the state of Iowa, and to provide revenue from the sale thereof.

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

1 Section 1. Section one hundred twenty-three point one
2 (123.1), Code 1954, is hereby amended by striking all after
3 the word "this" in line thirteen and inserting in lieu
4 thereof the following: "title".

1 Sec. 2. Section one hundred twenty-three point five
2 (123.5), Code 1954, is hereby amended by inserting after the
3 words "Alcoholic liquor" in line one (1) of subsection five (5)
4 the words "or 'alcoholic beverage' "; also by inserting after
5 the word "License" in line one (1) of subsection nine (9) the
6 following: "or liquor control license"; also by adding the
7 following subsection:

8 " 'Air common carrier' means a person engaged in transporting
9 passengers for hire in interstate or foreign commerce by aircraft
10 and operating regularly scheduled flights under a certificate
11 of public convenience issued by the Civil Aeronautics Board.

12 " 'Club' means a corporation or association of individuals
13 organized in good faith for social, recreational, benevolent,
14 charitable, political, patriotic, or athletic purposes, but
15 not for private gain, which is the owner, lessor or occupant

16 of a permanent building, or part thereof, membership in which
17 entails the prepayment of regular dues, and which has been in
18 continuous operation as a club for not less than two (2) years
19 prior to making application for a license under this Act.

20 " 'Commercial establishment' means a place of business which
21 is at all times equipped with sufficient tables and seats to
22 accommodate twenty-five (25) persons at one time, is located in
23 a business district or an area now or hereafter zoned as a
24 business district, and the licensed premises of which conform
25 to the standards and specifications of the commission.

26 " 'Licensed premises' or 'premises' means all rooms or
27 enclosures where alcoholic beverages are sold and/or consumed
28 under authority of a license.

29 " 'Hotel' means a premises or structure regularly or seasonably
30 kept open in a bona fide manner for the lodging of transient
31 guests, where there is in the same premises or structure an
32 establishment where food is regularly prepared and served and
33 where thirty-five (35) or more sleeping rooms are provided for
34 such guests."

1 Sec. 3. Section one hundred twenty-three point sixteen
2 (123.16), Code 1954, is hereby amended by inserting after the
3 word "permits" in line one (1) of subsection seven (7), the
4 following: ", liquor control licenses"; also by adding the
5 following subsection

6 "To hear appeals from any order denying an application
7 for a liquor control license."

1 Sec. 4. Section one hundred twenty-three point sixteen
2 (123.16), Code 1954, is further amended by striking all of
3 subsection eight (8) after the word "chapter" in line three (3)

4 and inserting in lieu thereof a period.

1 Sec. 5. Section one hundred twenty-three point seventeen
2 (123.17), Code 1954, is hereby amended by striking all of
3 paragraph "f" of subsection two (2) after the word "chapter"
4 in line four (4) thereof and inserting the following: "by
5 the commission."

1 Sec. 6. Section one hundred twenty-three point twenty-two
2 (123.22), Code 1954, is hereby amended by inserting after the
3 words "holder of a permit" in line four (4) of subsection one
4 (1) the words: "or liquor control license"; also by striking
5 the words "under such permit" in lines five (5) and six (6)
6 of subsection one (1); further by striking the word "person".
7 in line two (2) of subsection two (2) and inserting in lieu
8 thereof the words "permit holder".

1 Sec. 7. Section one hundred twenty-three point twenty-four
2 (123.24), Code 1954, is hereby amended by inserting after the
3 word "sold" in line one (1) the words "by the commission".

1 Sec. 8. Section one hundred twenty-three point twenty-six
2 (123.26), Code 1954, is hereby amended by inserting after the
3 word "permit" in line twenty-five (25) the words "or liquor
4 control license".

1 Sec. 9. Section one hundred twenty-three point twenty-seven
2 (123.27), Code 1954, is hereby amended by adding at the end
3 of subsection two (2), paragraph "a", the following:

4 "However, no individual permit shall be required for
5 the purchase of alcoholic liquor for consumption on
6 premises covered by a liquor control license."

1 Sec. 10. Section one hundred twenty-three point twenty-
2 seven (123.27), Code 1954, is hereby amended by adding the

3 following:

1 4. Upon posting bond in the penal sum of five thousand
2 dollars (\$5,000.00) with surety and conditions prescribed by
3 the commission, and for the payment of all taxes due the state
4 and upon compliance with other appropriate provisions of this
5 Act, liquor control licenses may be issued to any person who
6 (or whose officers and stockholders, in the case of a club or
7 corporation, or whose partners, in the case of a partnership)
8 is of good moral character, has not been convicted of a felony,
9 is a citizen of the United States, is not chargeable directly
10 or indirectly with the administration or enforcement of the alcoholic
11 beverages laws of the state of Iowa, and is, in the judgment of
12 the commission, of such financial standing and good reputation
13 as will satisfy the commission that the licensee will comply
14 with the law and the regulations of the commission.

15 5. No liquor control license shall be issued for
16 premises which do not conform to all laws, ordinances and
17 resolutions, health and fire regulations applicable thereto,
18 or, except in the case of a hotel, have any interior access
19 to residential or sleeping quarters; nor shall any class "C"
20 liquor control license be issued for premises which are not
21 wholly within the corporate limits of a city or town, or in
22 platted villages.

23 6. Liquor control licenses issued under this chapter
24 shall be of the following classes:

25 a. Class "A". A class "A" liquor control license may
26 be issued to a club and shall authorize the holder thereof
27 to purchase at wholesale, spirits and wine from the commission
28 only, at prices to be set by the commission, and to sell

32 alcoholic beverages so purchased to bona fide members and
33 their guests by the individual drink for consumption on the
34 premises only.

35 b. Class "B". A class "B" liquor control license may
36 be issued to a hotel as herein defined and shall authorize
37 the holder thereof to purchase, at wholesale, spirits and
38 wine from the commission only, at prices to be set by the
39 commission, and to sell alcoholic beverages so purchased to
40 patrons by the individual drink for consumption on the premises
41 only. Each such license shall be effective throughout the
42 premises described in the application therefor, but a dupli-
43 cate of such license shall be posted in each room wherein
44 such beverages are dispensed.

45 c. Class "C". A class "C" liquor control license may
46 be issued to a commercial establishment and shall authorize
47 the holder thereof to purchase, at wholesale, spirits and wine
48 from the commission only, at prices to be set by the commission,
49 and to sell alcoholic beverages so purchased to patrons by the
50 individual drink for consumption on the premises only.

51 d. Class "D". A class "D" liquor control license may be
52 issued to a railway corporation and to an air common carrier
53 and shall authorize the holder thereof to sell or furnish
54 alcoholic beverages to passengers for consumption only on
55 trains or aircraft, respectively. Each such license shall
56 be good throughout the state as a state license. Only one
57 such license shall be required for all trains or aircraft
58 operated in the state by the licensee, but a duplicate of
59 such license issued shall be posted in each railroad car or
60 aircraft in which such beverages are sold. Such licensee

61 shall keep a record of all alcoholic beverages sold or furnished
62 in the state of Iowa, and on or before the last day of each
63 month shall render a report to the commission showing the
64 quantities of the various kinds of alcoholic beverages so
65 sold or furnished during the preceding month, which report
66 shall be accompanied by payment of appropriate taxes owing.

67 7. An application for a class "B" or class "C" liquor
68 control license, accompanied by the required fee and bond,
69 shall be filed with the appropriate city or town council if
70 the premises proposed to be licensed are located within the
71 corporate limits of a city or town, or with the board of
72 supervisors if the premises proposed to be licensed are
73 located outside the corporate limits of a city or town.

74 Application for class "A" and class "D" liquor control licenses,
75 accompanied by the required fee and bond, shall be filed with
76 the commission, which shall proceed in the same manner as in
77 the case of an application approved by local authorities.

78 a Action by local authorities. If the city or town council,
79 or county board of supervisors, as the case may be, approves
80 the issuance of a license, it shall endorse its approval on the
81 application and forward same along with the fee and bond to the
82 commission; or if it disapproves issuance of a license, it
83 shall endorse its disapproval on the application and forward
84 same along with the fee and bond to the commission.

85 b. Action by the commission. Upon receipt of an
86 application which has been disapproved, the commission shall
87 disapprove the application and so notify the applicant by
88 registered mail. Upon receipt of an application having
89 been approved, the commission shall make such investigation

90 as it deems necessary; and it may require the applicant to
91 appear before it and be examined under oath regarding any
92 matters pertinent to the application, in which case a record
93 shall be made of all testimony or evidence and the same shall
94 become a part of the application. If the application is
95 approved, an appropriate liquor control license shall be
96 issued. If the application is disapproved, the applicant
97 and the appropriate city or town council, or county board of
98 supervisors, shall be so notified in writing, and the fee and
99 bond shall be returned to the applicant.

100 c. Appeal to commission. Any applicant for a liquor
101 control license may appeal to the commission from its
102 disapproval of an application for a license; or, in lieu of
103 such appeal, the commission may afford the applicant a
104 hearing through issuance of a notice to the applicant of
105 contemplated disapproval of a license. If, upon such appeal
106 or hearing, the commission shall determine that the city or
107 town council, or county board of supervisors, acted arbitrarily,
108 capriciously, or without reasonable cause in disapproving the
109 application, or that (where the city or town council, or county
110 board of supervisors approved the application) the commission's
111 own disapproval or contemplated disapproval should be
112 reversed, it may issue a license.

113 d. Appeal to courts. Any applicant who feels aggrieved
114 by a decision of the commission disapproving issuance of a
115 license may, provided he has exercised his rights of appeal
116 to the commission as hereinabove provided, appeal from said
117 decision within ten (10) days by writ of certiorari to the
118 district court of the county wherein the premises covered by

119 the applications are situated.

120 8 Applications for the original issuance or the renewal
121 of liquor control licenses shall be filed at such time and in
122 such number of copies as the commission shall by regulation
123 prescribe, on forms prescribed by the commission, and shall
124 set forth under oath the following information:

125 a. The name and address of the applicant,

126 b. The precise location of the premises for which a
127 license is sought,

128 c. The names and addresses of all persons (in the case of
129 a corporation, the officers, directors, and persons owning or
130 controlling ten (10) per cent or more of the capital stock
131 thereof) having a financial interest, by way of loan,
132 ownership, or otherwise, in the business or the profits
133 thereof.

134 d. When required by the commission, a sketch or drawing
135 of the premises proposed to be licensed and in such form and
136 containing such information as the commission may require,

137 e. A statement whether any person specified in (c) above
138 has ever been convicted of any offense against the laws of
139 the United States, or any state or territory thereof, or any
140 political subdivision of any such state or territory,

141 f. Such other information as the commission shall
142 require.

143 9. The number of licenses issued covering premises
144 within any incorporated city or town, exclusive of class "A"
145 and class "D" licenses, shall not exceed four (4) licenses
146 for each city or town with a population of three thousand
147 (3,000) or less and one additional license for each one

148 thousand (1,000) population or major fraction thereof for
149 any city or town with a population over three thousand (3,000),
150 according to the last decennial federal census.

151 10. The number of licenses issued covering premises in
152 any county outside of incorporated cities and towns,
153 exclusive of class "A" and class "D" licenses, shall not
154 exceed one license for each two thousand (2,000) population
155 or major fraction thereof of the entire county, to include
156 cities and towns therein, according to the last decennial
157 federal census.

158 11. All liquor control licenses issued as provided for
159 herein, unless sooner revoked, shall expire on June 30th of
160 each year.

1 Sec. 11. Section one hundred twenty-three point twenty-
2 eight (123.28), Code 1954, is hereby amended by adding the
3 following paragraphs:

4 There shall be paid annually to the commission for a
5 liquor control license the following fees:

6 a. Class "A" liquor control license, the sum of five
8 hundred dollars (\$500.00).

8 b. Class "B" liquor control license, the sum as follows:

9 (1) Hotels located within the corporate limits of
10 cities of ten thousand (10,000) population and over, one
11 thousand dollars (\$1,000.00);

12 (2) Hotels located within the corporate limits of
13 cities of over three thousand (3,000) and less than ten
14 thousand (10,000) population, seven hundred fifty dollars
15 (\$750.00);

16 (3) Hotels located within the corporate limits of

17 towns of three thousand (3,000) population and less, five
18 hundred dollars (\$500.00);

19 (4) Hotels located outside the corporate limits of any
20 city or town, one thousand dollars (\$1,000.00);

21 c. Class "C" liquor control license, the sum as follows:

22 (1) Premises located within the corporate limits of
23 cities of ten thousand (10,000) population and over, one
24 thousand dollars (\$1,000.00);

25 (2) Premises located within the corporate limits of
26 cities of over three thousand (3,000) and less than ten
27 thousand (10,000) population, seven hundred fifty dollars
28 (\$750.00);

29 (3) Premises located within the corporate limits of
30 towns of three thousand (3,000) population and less, five
31 hundred dollars (\$500.00);

32 (4) Premises located outside the corporate limits of
33 any city or town, one thousand dollars (\$1,000.00);

34 d. Class "D" liquor control license, the sum of two
35 hundred fifty dollars (\$250.00);

36 In the case of an original license issued for an
37 unexpired portion of a license year, the amount of the fee
38 shall be apportioned on the basis of the ratio the number
39 of months or major fraction thereof bears to twelve.

40 The commission shall credit all fees to the liquor
41 control act fund and shall remit to the respective city or
42 town council, or county board of supervisors, as the case may
43 be, a sum equal to fifty per cent (50%) of the fees collected
44 for each class "A", class "B", or class "C" license covering
45 premises located within their respective jurisdiction.

1 Sec. 12. Section one hundred twenty-three point
2 twenty-nine (123.29), Code 1954, is hereby amended by
3 inserting after the word "permit" in line one (1) the words
4 "or liquor control license"; also by striking the period (.)
5 in line eight (8) and inserting in lieu thereof the following:
6 "or licensee."; also by adding the following paragraph:

7 In the case of a class "A", class "B", or class "C"
8 licensee, the commission may in its discretion authorize
9 a licensee to remove the license from one location to
10 another within the same incorporated city or town, or
11 within a county outside the corporate limits of a city or
12 town, provided that the premises to which the transfer is
13 to be made would have been eligible for a license in the first
14 instance and such transfer will not result in any violation of
15 any provision of law.

1 Sec. 13. Section one hundred twenty-three point
2 thirty-two (123.32), Code 1954, is hereby amended by adding
3 the following paragraph:

4 Any liquor control license issued under this chapter
5 may, after notice in writing to the license holder and
6 reasonable opportunity for hearing, be suspended or canceled
7 by the commission for any of the following causes:

- 8 1. Misrepresentation of any material fact in the
9 application for such license, or
- 10 2. Violation of any of the provisions of the Iowa
11 Liquor Control Act or regulations of the commission, or
- 12 3. Any change in the ownership or interest in the
13 business operated under a class "A", Class "B", or class
14 "C" license, which change was not previously reported to

15 the commission and approved by it, or

16 4. An event which would have resulted in disqualification
17 from receiving such license when originally issued, or

18 5. Any sale, hypothecation, or transfer of such
19 license.”

1 Sec. 11. Section one hundred twenty-three point forty
2 (123.40). Code 1954, is hereby amended by adding at the
3 end thereof the following:

4 “No person engaged in the business of manufacturing or
5 wholesaling alcoholic beverages shall have, through ownership,
6 loan, or otherwise, any interest, directly or indirectly,
7 in the business premises or furnishings thereof covered by
8 a liquor control license issued under this chapter.”.

1 Sec. 15. Section one hundred twenty-three point
2 forty-two (123.42), Code 1954, is hereby amended by inserting
3 after the comma (,) in line four (4) thereof the following:
4 “except premises covered by a liquor control license.”.

1 Sec. 16. Section one hundred twenty-three point
2 forty-six (123.46), Code 1954, is hereby amended by adding
3 at the end thereof the following:

4 4. No person holding a liquor control license under
5 this chapter, his agents or employees, shall:

6 a. Suffer or permit any gaming, solicitation for
7 immoral purposes, immoral or disorderly conduct on the
8 licensed premises, or

9 b. Sell or dispense any alcoholic beverage on the
10 licensed premises or permit the consumption thereon
11 between the hours of one (1) a.m. and seven (7) a.m. on
12 any week day, and from twelve (12) o'clock midnight on Saturday

13 and seven (7) a.m. on the following Monday, or on any general,
14 special, or primary election day during the hours that polls
15 are open, or during such other periods or days as may be
16 designated by the commission, or

17 c. Sell alcoholic beverages to any person on credit,
18 except that this provision shall not apply to sales by a
19 club to its members nor to sales by a hotel to bona fide
20 registered guests, or

21 d. Keep on the licensed premises any spirits or wine in
22 any container except the original package purchased from the
23 commission, except mixed drinks or cocktails mixed on the
24 premises for immediate consumption, provided that this shall
25 not apply to common carriers holding a class "D" liquor
26 control license, or

27 e. Reuse for the packaging of any spirits or wine any
28 bottle or other container which has been used for the
29 packaging of alcoholic beverages or possess any such bottle
30 or container, or in any manner alter or increase, by the
31 addition thereto of any substance, any portion of the original
32 contents remaining in such bottle or container in which any
33 portion of the original contents has been so altered or
34 increased, or

35 f. Employ any person under the age of twenty-one (21)
36 years in the direct handling or selling of liquor on the
37 premises where such liquor is sold, or

38 g. Allow any person other than the license holder or
39 his employees to use or keep on the licensed premises any
40 spirits or wine in any bottle or other container which is
41 designed for the transporting of alcoholic beverages, provided

42 that this shall not apply to the lodging quarters of a
43 class "B" liquor control licensee, or to common carriers holding
44 a class "D" liquor control license.

45 5. No person under the age of twenty-one (21) years
46 shall misrepresent his or her age for the purpose of
47 purchasing or attempting to purchase any alcoholic beverage
48 from any licensee.

49 Whoever violates any of the provisions of this section
50 shall be subject to a fine of one thousand (1,000) dollars
51 or to imprisonment for not less than thirty (30) days nor
52 more than one year in the county jail or to both such fine
53 and imprisonment.

54 The conviction of any liquor control license holder for
55 the violation of any of the provisions of this section shall
56 be grounds for the suspension or revocation of the license
57 by the commission.

1 Sec. 17. Section one hundred twenty-three point
2 fifty-three (123.53), Code 1954, is hereby amended by inserting
3 after subsection nine (9) the following:

4 10. The number of liquor control licenses issued,
5 by class, and the number in effect on the last day included
6 in the report.

7 11. Amount of fees paid to the commission from said
8 liquor control licenses, in gross, and the amount returned
9 to local subdivisions of government as provided under this
10 chapter.

1 Sec. 18. Section one hundred twenty-three point fifty-
2 nine (123.59), Code 1954, is hereby amended by inserting
3 after the words, "by gift or otherwise", the words, "in

4 violation of law", and by striking the words, "in violation
5 of this chapter", and substituting therefor the words,
6 "in violation of law".

1 Sec. 19. Section one hundred twenty-three point sixty
2 (123.60), Code 1954, is hereby amended by striking the words,
3 "in violation of this chapter", and substituting therefor the
4 words, "in violation of law".

1 Sec. 20. Chapter one hundred twenty-three (123), Code
2 1954, is hereby amended by adding thereto the following new
3 section:

4 123.95. Local option. The provisions of this chapter
5 for the licensing, regulation and sale of alcoholic beverages
6 by the individual drink for consumption on the premises where
7 sold shall apply throughout the state. Provided, however,
8 a majority of the electorate of a county or incorporated city
9 or town may by referendum as hereinafter prescribed vote to
10 prohibit such sale under a class "B" or class "C" liquor
11 control license. Where a majority of the electorate of any
12 county or incorporated city or town shall vote to prohibit
13 such sale for consumption on the premises, it shall be unlawful
14 ninety (90) days after the result of such referendum has
15 become final for any person to sell any alcoholic beverages
16 for consumption on the premises where sold in such county,
17 city or town.

18 2. It is the intent of this Act that the voters of a
19 county outside the limits of an incorporated city or town,
20 and the voters within the corporate limits of a city or
21 town shall vote separately on the question of prohibiting
22 or permitting the sale of alcoholic beverages within the

23 limits of the respective jurisdictions and that the votes
24 of the electorate outside the limits of an incorporated
25 city or town shall not be counted in determining whether
26 the sale of alcoholic liquor shall be legal within the
27 limits of an incorporated city or town, and vice versa.

28 3. The board of supervisors of any county and the
29 council of any city or town shall, on the petition of twenty-
30 five (25) per cent of the qualified electors of any county
31 outside the corporate limits of any city or town, or of any
32 incorporated city or town, call a special election to be
33 held not less than sixty (60) nor more than ninety (90) days
34 after the filing date of said petition, to determine whether
35 the sale of alcoholic beverages for consumption on the premises
36 where sold shall be prohibited.

37 4. Said petition shall be filed with the county auditor
38 or the clerk of an incorporated city or town and shall:

39 a. Be in substantially the following form:

40 "Petition for local option liquor election

41 "We, the undersigned, legal voters of (here insert name
42 of county, city or town) respectfully petition that an election
43 be held to determine whether the sale of alcoholic beverages
44 for consumption on the premises where sold shall be prohibited
45 in said (county, city or town)."

46 b. Contain the signature, residence address and date
47 of signing of none but qualified electors of the county
48 outside the corporate limits of any city or town or of the
49 incorporated city or town wherein said election is to take
50 place.

51 c. Contain no more than twenty (20) names on any

52 sheet.

53 d. Be attached to each sheet at time of filing an
54 affidavit of a person qualified to vote in said election,
55 stating:

56 (1) That every person who signed said sheet signed
57 in the presence of the affiant.

58 (2) That at the time of signing each signer was a
59 qualified elector of the State of Iowa and of the political
60 subdivision thereof where said election is to be held.

61 e. Contain no signature affixed more than sixty (60)
62 days prior to the date of filing.

63 5. In determining the required percentage of legal voters,
64 the percentage shall be based on the total number of votes
65 cast within said county outside of the corporate limits of
66 any city or town, or within said incorporated city or town
67 at the last preceding governor's election.

68 6. Upon the filing of a petition the board of
69 supervisors or the city or town council shall within thirty (30)
70 days cause to be published a proclamation stating that a
71 petition signed by not less than twenty-five (25) per cent
72 of the qualified electors of the said county outside the
73 corporate limits of any city or town, or of the incorporated
74 city or town, has been filed requesting that a special election
75 be held within said county outside the corporate limits
76 of any city or town or within the corporate limits of said
77 city or town to determine whether the sale of alcoholic
78 beverages for consumption on the premises where sold shall
79 be prohibited in said county, city, or town, that an
80 election is called by the board of supervisors of the

81 county or the council of the city or town for the determination
82 of said question; and designating the time at which said
83 election shall be held.

84 7 Said proclamation shall be published in a
85 newspaper of general circulation throughout the county, city
86 or town where the election is to be held; or, if there be
87 no such paper, by posting a copy of said proclamation in at
88 least five (5) of the most public places in the county, city
89 or town.

90 8. The general election laws, so far as applicable,
91 shall apply to all elections held under this Act. No person
92 shall be qualified to vote at such election who is not
93 qualified to vote at any general election where he resides.

94 9. The official ballot shall be prepared, arranged,
95 and printed substantially in the following form:

96 "Shall the sale of alcoholic beverages by the
97 drink for consumption on the premises where sold
98 be prohibited?" Yes No

99 10. In the event an election is held under the
100 provisions of this chapter, no subsequent election shall
101 be held in the same county, city or town for a period of
102 at least four (4) years from the date of said previous
103 election.

104 11. The returns of said election shall be canvassed
105 in the manner provided by law, and ninety (90) days following
106 the date on which the results of such election shall become final,
107 the status of any county, incorporated city or town as to the
108 legality of the sale to the general public of alcoholic
109 beverages by the drink for consumption on the premises shall be

110 in accordance with the results of said election.

1 Sec. 21. Section one hundred twenty-four point thirty-one
2 (124.31), Code 1954, is hereby amended by striking the period (.)
3 following the words "compounding purposes", and by inserting
4 therein the following: ", or to any club, hotel or commercial
5 establishment licensed to sell alcoholic beverages for
6 consumption on the premises where sold as provided in this
7 title."

1 Sec. 22. Section one hundred twenty-five point seven
2 (125.7), Code 1954, is hereby amended by inserting after the
3 words "by gift or otherwise" the words, "in violation of law".

1 Sec. 23. Section one hundred twenty-five point thirteen
2 (125.13), Code 1954, is hereby amended by adding thereto the
3 following: "Provided, however, that this section shall not
4 apply to the holder of a liquor control license authorizing
5 the sale of alcoholic liquors for consumption on the premises
6 where sold, his agents, servants or employees for the performance
7 on the licensed premises of the acts herein prohibited."

1 Sec. 24. Section one hundred twenty-five point seventeen
2 (125.17), Code 1954, is hereby amended by inserting after the
3 words, "on any such car", the words, "in violation of law".

1 Sec. 25. Title sixteen (XVI), Code 1954, is hereby
2 amended by adding thereto the following:

3 1. There is hereby imposed on every individual, partner-
4 ship, corporation, association or club licensed to sell
5 alcoholic beverages for consumption on the premises where
6 sold, an occupational tax to be computed on all alcoholic
7 beverages sold, as follows:

8 An amount equivalent to ten per centum upon the gross

9 receipts of any licensee from all sales of alcoholic
10 beverages in the state of Iowa.

11 2. On or before the 15th day of each month every such
12 licensee shall render to the commission a report sworn to by
13 an officer or agent in the case of corporations, and by
14 the owner or agent in the case of an individual licensee,
15 showing the amount of receipts from sales of such alcoholic
16 beverages in the state of Iowa during the preceding calendar
17 month and such other information as the commission may require,
18 such reports to be on forms to be provided by the commission.

19 3. "Gross Receipts" as used in this section means the
20 amount received in money, credits, or property valued in
21 money in consideration of the sale of such alcoholic beverages
22 within this state, without any deduction on account of the
23 cost of the property sold, the costs of the materials used,
24 the cost of labor or services, purchases, amounts paid for
25 interest or discount, or any other expenses whatsoever. No
26 deductions shall be allowed for losses of any nature.

27 4. Every such licensee shall within thirty (30) days
28 after the filing date of such report as provided in this Act
29 compute and pay to the commission an amount equivalent to
30 ten per centum of his gross receipts during the calendar month
31 covered by such report and the commission shall forthwith issue
32 a receipt to the taxpayer for the amount of the tax so paid.

33 5. All revenues arising under the operation of the
34 provisions of this Act shall become part of the state general
35 fund.

36 6. The failure or refusal on the part of any licensee
37 to render any report or remit any taxes to the commission

- 38 under this Act when due shall be reported to the Iowa liquor
- 39 control commission by the commission.

EXPLANATION OF HOUSE FILE 439

This bill would provide for the further regulation, control and distribution of alcoholic beverages within the state. It would also provide much needed state revenue therefrom, and eliminate certain existing illegal traffic in liquor. This proposal would provide for the people of each county, city and town the option of approving or disapproving the licensed sale of alcoholic beverages to the general public within their respective jurisdictions.

HOUSE FILE 439

1 Amend House File 439 as follows:

2 1. By inserting in section ten (10), line thirty-four (34), following
 3 the period (.) the following: "No club organized and
 4 existing by virtue of a charter issued under the provisions
 5 of chapter 504 of the Code, its agent, servant or employee
 6 shall keep or allow to be kept on the premises occupied by
 7 said club any liquor, nor shall it permit the drinking of
 8 any liquor on the premises of said club unless the sale of
 9 liquor on said premises is authorized by virtue of a valid
 10 and subsisting license issued by the Iowa liquor control
 11 commission." *Frey file 4-19*

12 2 Further amend House File 439, section twenty (20), line nine
 (9), *Amended 4-19*

13 by striking the word "may" and inserting therein the words
 14 "shall first"

15 3. Further amend House File 439, section twenty (20), line ten
 (10),

16 by striking the word "prohibit" and inserting therein the
 17 word "allow".

18 4. Further amend House File 439, section twenty (20), line thirty-
 six (36),

19 by striking the word "prohibited" and inserting in lieu
 20 thereof the word "permitted".

21 5. Further amend House File 439, section twenty (20),
 22 line forty-four (44), by striking the word "prohibited" and inserting
 in

23 lieu thereof the word "permitted".

24 6. Further amend House File 439, section twenty (20),
 25 line seventy-nine (79), by striking the word "prohibited" and insert-
 ing the
 26 word "permitted".

27 7. Further amend House File 439, section twenty (20), line ninety-
 eight (98),

28 by striking the word "prohibited" and inserting in lieu
 29 thereof the word "permitted".

Filed
 April 19, 1957.

FREY of Pottawattamic.
 HOTH of Allamakee.
 BURRIS of Jackson.
 CARLSEN of Clinton.

