

February 27, 1957.
Passed on File.

Senate File 407
By BUTLER, UTZIG and BURTON.

Passed Senate, Date..... Passed House, 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 there-
4 of 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 word "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 words "or liquor control license"; also by adding the following
7 subsection:

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

13 "'Club means a corporation or association of individuals
14 organized in good faith for social, recreational, benevolent,
15 charitable, political, patriotic, or athletic purposes, but

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

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

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

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

3 the word "chapter" in subsection eight (8) and inserting in
4 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 after the
3 word "chapter" in line four (4) of subsection two (2), paragraph
4 "f", and inserting in lieu thereof the following: "by the
5 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) of
6 subsection one (1); further by striking the word "person" in
7 line two (2) of subsection two (2) and inserting in lieu thereof
8 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 the
5 purchase of alcoholic liquor for consumption on premises
6 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: "4. Upon posting bond in the penal sum of \$5,000
4 with surety and conditions prescribed by the commission, and
5 for the payment of all taxes due the state and upon compliance
6 with other appropriate provisions of this Act, liquor control
7 licenses may be issued to any person who (or whose officers
8 and stockholders, in the case of a club or corporation, or whose
9 partners, in the case of a partnership) is of good moral
10 character, has not been convicted of a felony, is a citizen of
11 the United States, is not chargeable directly or indirectly
12 with the administration or enforcement of the alcoholic
13 beverages laws of the State of Iowa, and is, in the judgment
14 of the commission, of such financial standing and good
15 reputation as will satisfy the commission that the licensee
16 will comply with the law and the regulations of the commission.

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

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

26 a. Class "A". A class "A" liquor control license may
27 be issued to a club and shall authorize the holder thereof
28 to purchase at wholesale, spirits and wine from the commission
29 only, at prices to be set by the commission, and to sell
30 alcoholic beverages so purchased to bona fide members and

31 their guests by the individual drink for consumption on the
32 premises only.

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

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

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

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

65 "7. An application for a class "B", or class "C" liquor
66 control license, accompanied by the required fee and bond,
67 shall be filed with the appropriate city or town council if
68 the premises proposed to be licensed are located within the
69 corporate limits of a city or town, or with the board of
70 supervisors if the premises proposed to be licensed are
71 located outside the corporate limits of a city or town. Ap-
72 plication for class "A" and class "D" liquor control licenses,
73 accompanied by the required fee and bond, shall be filed with
74 the commission, which shall proceed in the same manner as in
75 the case of an application approved by local authorities.

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

83 b. Action by the commission. Upon receipt of an
84 application having been disapproved, the commission shall
85 disapprove the application and so notify the applicant by
86 registered mail. Upon receipt of an application having
87 been approved, the commission shall make such investigation
88 as it deems necessary; and it may require the applicant to

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

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

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

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

123 a. The name and address of the applicant,

124 b. The precise location of the premises for which a
125 license is sought,

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

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

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

138 f. Such other information as the commission shall
139 require.

140 9. The number of licenses issued covering premises
141 within any incorporated city or town, exclusive of class "A"
142 and class "D" licenses, shall not exceed four (4) licenses
143 for each city or town with a population of three thousand
144 (3,000) or less and one additional license for each one
145 thousand (1,000) population or major fraction thereof for
146 any city or town with a population over three thousand (3,000),

147 according to the last decennial federal census.

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

154 11. All liquor control licenses issued as provided for
155 herein, unless sooner revoked, shall expire on June 30th of
156 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 licenses, the sum of five
7 hundred dollars;

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;

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 and fifty dollars;

15 (3) Hotels located within the corporate limits of
16 towns of three thousand (3,000) population and less, five
17 hundred dollars;

18 (4) Hotels located outside the corporate limits
19 of any city or town, one thousand dollars;

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

21 (1) Premises located within the corporate limits

22 of cities of ten thousand (10,000) population and over, one
23 thousand dollars;

24 (2) Premises located within the corporate limits of

25 cities of over three thousand (3,000) and less than ten
26 thousand (10,000) population, seven hundred and fifty dollars;

27 (3) Premises located within the corporate limits of

28 towns of three thousand (3,000) population and less, five
29 hundred dollars;

30 (4) Premises located outside the corporate limits

31 of any city or town, one thousand dollars;

32 d. Class "D" liquor control license, the sum of two

33 hundred and fifty dollars.

34 In the case of an original license issued for an un-

35 expired portion of a license year, the amount of the fee

36 shall be apportioned on the basis of the ratio the number

37 of months or major fraction thereof bears to twelve.

38 The commission shall credit all fees to the liquor

39 control act fund and shall remit to the respective city or

40 town council, or county board of supervisors, as the case may

41 be, a sum equal to fifty per cent of the fees collected for

42 each class "A", class "B", or class "C" license covering

43 premises located within their respective jurisdiction.

1 Sec. 12. Section one hundred twenty-three point twenty-

2 nine (123.29), Code 1954, is hereby amended by inserting

3 after the word "permit" in line one (1) the words "or liquor

4 control license"; also by striking the period (.) in line

5 eight (8) and inserting in lieu thereof the following: "or

6 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 with-
11 in a county outside the corporate limits of a city or town,
12 provided that the premises to which the transfer is to be
13 made would have been eligible for a license in the first
14 instance and such transfer will not result in any violation
15 of any provision of law.

1 Sec. 13. Section one hundred twenty-three point thirty-
2 two (123.32), Code 1954, is hereby amended by adding the
3 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 a. Misrepresentation of any material fact in the
9 application for such license, or
10 b. Violation of any of the provisions of the Iowa
11 Liquor Control Act or regulations of the commission, or
12 c. 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
15 to the commission and approved by it, or
16 d. An event which would have resulted in disqualification
17 from receiving such license when originally issued, or
18 e. Any sale, hypothecation, or transfer of such
19 license.

1 Sec. 14. 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 owner-
6 ship, loan, or otherwise, any interest, directly or
7 indirectly, in the business premises or furnishings there-
8 of covered by a liquor control license issued under this
9 chapter.

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

1 Sec. 16. Section one hundred twenty-three point forty-
2 six (123.46), Code 1954, is hereby amended by adding at the
3 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 a.m. and seven a.m. on any week
12 day and from twelve o'clock midnight on Saturday and seven
13 a.m. on the following Monday, or on any general, special or
14 primary election day during the hours that polls are open,
15 or during such other periods or days as may be designated
16 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 his
39 employes to use or keep on the licensed premises any spirits
40 or wine in any bottle or other container which is designed for
41 the transporting of alcoholic beverages, provided that this
42 shall not apply to the lodging quarters of a class "B" liquor
43 control licensee, or to common carriers holding a class "D"
44 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 from
48 any licensee.

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

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 fifty-
2 three (123.53), Code 1954, is hereby amended by inserting after
3 sub-section 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 after
3 the words, "by gift or otherwise", the words, "in violation
4 of law", and by striking the words, "violation of this
5 chapter", and substituting therefor the words, "in violation
6 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:

3 "Section one hundred twenty-three point ninety-five (123.95).

4 One. Local option. The provisions of this chapter for
5 the licensing, regulation and sale of alcoholic beverages by
6 the individual drink for consumption on the premises where sold
7 shall apply throughout the state. Provided, however, a majority
8 of the electorate of a county or incorporated city or town may
9 by referendum as hereinafter prescribed vote to prohibit such
10 sale under a class "B" or class "C" liquor control license.

11 Where a majority of the electorate of any county or incorporated
12 city or town shall vote to prohibit such sale for consumption
13 on the premises, it shall be unlawful ninety (90) days after
14 the results of such referendum has become final for any person
15 to sell any alcoholic beverages for consumption on the
16 premises where sold in such county, city or town.

17 Two. It is the intent of this Act that the voters of
18 a county outside the limits of an incorporated city or
19 town, and the voters within the corporate limits of a city
20 or town shall vote separately on the question of prohibiting
21 or permitting the sale of alcoholic beverages within the
22 limits of the respective jurisdictions and that the votes
23 of the electorate outside the limits of an incorporated
24 city or town shall not be counted in determining whether
25 the sale of alcoholic liquor shall be legal within the
26 limits of an incorporated city or town, and vice versa.

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

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

38 a. Be in substantially the following form:

39 "Petition for local option liquor election"

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

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

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

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

55 (1) That every person who signed said sheet signed

56 in the presence of the affiant.

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

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

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

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

83 Seven. Said proclamation shall be published in a
84 newspaper of general circulation throughout the county, city

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

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

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

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

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

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

1 Sec. 21. Section one hundred twenty-four point thirty-
2 one (124.31), Code 1954, is hereby amended by striking the
3 period (.) following the words "compounding purposes", and
4 by inserting therein the following: ", or to any club, hotel

5 or commercial establishment licensed to sell alcoholic
6 beverages for consumption on the premises where sold as
7 provided in this 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
4 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 per-
7 formance 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 (16), Code 1954, is hereby amended
2 by adding the following:

3 “Section 1. There is hereby imposed on every individual
4 partnership, corporation, association or club licensed to
5 sell 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 Sec. 2. On or before the 15th day of each month every
12 such licensee shall render to the commission a report sworn

13 to by an officer or agent in the case of corporations, and
14 by 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 Sec. 3. "Gross Receipts" as used in this section, means
20 the amount received in money, credits, property or other
21 monies worth in consideration of sales of such alcoholic
22 beverages within this state, without any deduction on account
23 of the cost of the property sold, the costs of the materials
24 used, the cost of labor or services, purchases, amounts paid
25 for interest or discount, or any other expenses whatsoever. No
26 deductions shall be allowed for losses of any nature.

27 Sec. 4. Every such licensee shall within thirty (30)
28 days after the filing date of such report as provided in this
29 Act 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 Sec. 5. All revenues arising under the operation of the
34 provisions of this Act shall become part of the state general
35 fund.

36 Sec. 6. The failure or refusal on the part of any
37 licensee to render any report or remit any taxes to the
38 commission under this Act when due shall be reported to the
39 Iowa Liquor Control Commission by the commission.

EXPLANATION OF SENATE FILE 407

This bill would provide for the further regulation and control of the sale and distribution within the state of alcoholic beverages and provide revenue therefrom, and to eliminate certain illegal traffic in liquor now existing, and 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.