

SENATE FILE 1202

By VAN GILST

FILED  
Senate File 1202  
Ways and Means—  
Flymat, Chairman  
H.H.  
Curtis

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

## A BILL FOR

1 An Act imposing a tax on coal sold in Iowa and establishing  
2 a fund for strip-mine rehabilitation.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

4 Section 1. Chapter four hundred twenty-two (422), Code  
5 1973, is amended by adding the following new section:

6 NEW SECTION. 1. There is imposed a tax of ten cents on  
7 each ton of coal subject to first sale in this state. As  
8 used in this section, "first sale" means the first sale or  
9 distribution of coal in intrastate commerce, or the first  
10 use or consumption of coal within this state. A first sale  
11 of coal may be either a retail or a wholesale sale. This  
12 tax shall be collected by the director of revenue from the  
13 person who is the buyer in the first sale of coal.

14 2. The director of revenue shall make all rules, pursuant  
15 to chapter seventeen A (17A) of the Code, necessary for the  
16 collection of tax under this section. Such rules shall con-  
17 form, as nearly as practicable, to the methods prescribed  
18 for collecting the retail sales tax under this chapter.

19 3. There is established the abandoned strip-mine rehabilita-  
20 tion fund. All moneys collected under this section shall be  
21 deposited in this fund. The department of soil conservation,  
22 in consultation with the land rehabilitation advisory board,  
23 is empowered to expend any or all moneys in this fund for the  
24 purpose of rehabilitating abandoned strip mines:

25 a. Such rehabilitation expenditure may be used for the

1 acquisition of former coal strip-mine land. When such land  
2 is rehabilitated, it may be sold to the state conservation  
3 commission or a county conservation board for the establish-  
4 ment of wildlife areas, or to any other person. Proceeds  
5 from such a sale shall be deposited in the abandoned strip-  
6 mine rehabilitation fund to be comingled with tax money in  
7 this fund.

8 b. Such rehabilitation expenditure may also be used for  
9 experimentation in regard to developing rehabilitation  
10 techniques.

11 c. However, the department shall fairly distribute its  
12 rehabilitation efforts and moneys among the different areas  
13 of the state which have been devastated by strip mining.

14 EXPLANATION

15 This bill imposes a 10 cents per ton tax on coal subject  
16 to first sale in this state. "First sale" is defined. The  
17 tax collected by the director of revenue is to be placed in  
18 a fund from which the department of soil conservation shall  
19 expend for strip-mine rehabilitation projects.

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