

Kemp, Michael 1/16/85

W/D 5/1/85

FILED JAN 15 1985

SENATE FILE 36

BY PRIEBE

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act exempting from the state sales, services, and use tax the
2 gross receipts from the rental of motion picture films and
3 video and audio tapes under certain conditions.

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

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SF. 36

1 Section 1. Section 422.45, Code 1985, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. The gross receipts from the rental of
4 motion picture films and video and audio tapes if either of
5 the following conditions are met:

6 a. The lessee imposes a charge for the viewing or the
7 rental of the film or tape and the charge for the viewing or
8 the rental of the film or tape is subject to taxation under
9 this division or chapter 423.

10 b. The lessee broadcasts the contents of the film or tape
11 for public viewing or listening.

12 EXPLANATION

13 The bill provides that gross receipts from the rental of
14 motion picture film and video and audio tape is exempt from
15 the sales, services, and use tax if a charge which is subject
16 to the sales, services, and use tax is imposed for viewing or
17 use of the film or tape or if the film's or tape's contents
18 are broadcast for public viewing or listening.

SENATE 19 -- MARCH 22, 1985 STATE OF IOWA

Requested by Sen. Priebe

FISCAL NOTE

LSB No. 1527S
Staff ID. CMG

FILED MAR 21 1985

In compliance with a written request received January 15, 1985, a fiscal note for SENATE FILE 36 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

SENATE FILE 36 provides that the gross receipts from the rental of motion picture film and video and audio tape are exempt from the sales, services, and use tax under certain conditions. Specifically, if a charge which is subject to the sales, services, and use tax is imposed for viewing or use of the film or tape or if the film's or tape's contents are broadcast for public viewing or listening, there would be no tax imposed on the rental receipts.

The bill takes effect July 1, following enactment.

FISCAL EFFECT: Due to a lack of specific sales, service, or use tax data, the loss of revenue that would result from exempting these rentals cannot be determined.

Source: Department of Revenue

(LSB 1527S, CMG)