

Legislation of 1985

SENATE FILE

87

BY RODGERS

FILED JAN 22 1985

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

### A BILL FOR

1 An Act exempting from the state use tax the portion of the  
 2 purchase price of a mobile home which is not attributable  
 3 to the cost of the materials used in manufacturing the  
 4 mobile home and exempting from the state use tax the  
 5 gross receipts from the subsequent sale of a mobile home  
 6 if the use tax had been paid on a previous sale.  
 7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
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 10  
 11

SF 87

SENATE 18 -- MARCH 22, 1985 STATE OF IOWA

Requested by Sen. Rodgers

LSB No. 1723S

Staff ID. CMG

FILED MAR 21 1985

### FISCAL NOTE

In compliance with a written request received January 23, 1985, a fiscal note for SENATE FILE 87 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 87 exempts 40 percent of the purchase price of a new mobile home or a mobile home initially brought into the state from use tax. The bill would also totally exempt the purchase price of the mobile home on subsequent purchases if any owner of the mobile home had previously paid a use tax on the mobile home.

The bill takes effect July 1 following enactment.

**FISCAL IMPACT:** Senate File 87 would result in a loss in state use tax revenues. However, the dollar amount of the loss cannot be estimated as separate data on the dollar volume of mobile home sales by new and used mobile homes are not known.

Source: Department of Revenue

(LSB 1723S, CMG)

1 Section 1. Section 423.1, Code 1985, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. "Mobile home" means mobile home as defined  
4 in section 321.1, subsection 68, paragraph "a".

5 Sec. 2. Section 423.4, Code 1985, is amended by adding the  
6 following new subsections:

7 NEW SUBSECTION. Mobile homes the use of which has pre-  
8 viously been subject to the tax imposed under this chapter and  
9 for which that tax has been paid.

10 NEW SUBSECTION. Mobile homes to the extent of the portion  
11 of the purchase price of the mobile home which is not at-  
12 tributable to the cost of the tangible personal property used  
13 in the processing of the mobile home. For purposes of this  
14 exemption, the portion of the purchase price which is not at-  
15 tributable to the cost of the tangible personal property used  
16 in the processing of the mobile home is forty percent.

17 EXPLANATION

18 The bill exempts from the state use tax 40 percent of the  
19 purchase price of a mobile home and also exempts the mobile  
20 home from the subsequent imposition of the use tax if any  
21 owner of the mobile home has previously paid the use tax.

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