

FILED JAN 31 1935

SENATE FILE 155
BY CARR

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

A BILL FOR

1 An Act providing an exemption from the state sales, service,
2 and use tax on the purchase of tangible personal property
3 by a nonprofit organization which lends the property to
4 the general public for nonprofit purposes.

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

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SF 155

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

3 NEW SUBSECTION. Gross receipts from the sale of tangible
4 personal property to a nonprofit organization which was or-
5 ganized for the purpose of lending the tangible personal
6 property to the general public for use by them for nonprofit
7 purposes.

8 EXPLANATION

9 The bill provides an exemption for nonprofit organizations
10 which are formed to operate a kind of tool or equipment
11 "library" as is presently being done in one of the cities of
12 Iowa. This exemption is from the payment of a sales or use
13 tax on the purchase of the tools or equipment which are to be
14 lent out of the "library".

STATE OF IOWA
FISCAL NOTE

LSB No. 1781S
Staff ID. CMG

FILED MAR 7 1985

In compliance with a written request received January 23, 1985, a fiscal note for SENATE FILE 155 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 155 provides an exemption for non-profit organizations which are formed to operate a kind of tool or equipment 'library'. This exemption is from the payment of a sales or use tax on the purchase of the tools or equipment which are to be lent out of the 'library'.

The bill is effective July 1, following enactment.

FISCAL IMPACT: The extent to which this exemption would be used is not known, making a reliable estimate of the decrease in revenue resulting from Senate File 155 impossible. Further, specific data dealing with sales of this type are in aggregate and do not specify the purchasers.

Source: Department of Revenue

(LSB 1781S, CMG)

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LSB 1781S 71

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