

WAYS AND MEANS: Bruner, Chair; Palmer and Drake

FILED MAR 15 1989
ways+means

SENATE FILE 351
BY HUSAK

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

A BILL FOR

1 An Act relating to the exemption from taxation of certain
2 transactions occurring in Indian country or involving an
3 Indian tribe.

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

- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

SF. 351

1 Section 1. NEW SECTION. 422.115 DEFINITIONS.

2 For the purpose of this division, unless the context
3 otherwise requires:

4 1. "Indian country" means the same as defined in 18 U.S.C.
5 § 1151 and includes, but is not limited to, the lands located
6 in the state of the Sac and Fox Tribe of the Mississippi.

7 2. "Indian tribe" means an Indian tribe, band, or nation
8 recognized as such by the United States secretary of the
9 interior.

10 Sec. 2. NEW SECTION. 422.116 INDIAN COUNTRY AND TRIBE
11 TAX EXEMPTION.

12 1. An Indian tribe is exempt from any state tax and motor
13 vehicle registration fees, except the state cigarette tax
14 under chapter 98, to the same extent that the state is exempt.
15 The provisions relating to the issuance of a tax exemption
16 certificate or providing for a refund which are applicable to
17 the state apply to an Indian tribe under this subsection.

18 2. The gross receipts from bingo games operated or
19 conducted in Indian country are exempt from the state sales
20 and services tax imposed under division IV.

21 3. Income earned by a corporation from transactions
22 occurring in Indian country is exempt from the state corporate
23 income tax under division III if more than fifty percent of
24 the value of all classes of stock of the corporation are owned
25 by an Indian tribe or members of an Indian tribe during the
26 entire tax year.

27 4. An Indian tribe may apply to the department for the
28 refund of sales, services, and use tax upon the gross receipts
29 of sales of goods, wares, or merchandise or from services
30 rendered, furnished, or performed, to a contractor, used in
31 the fulfillment of a written contract with the Indian tribe if
32 the property becomes an integral part of the project under
33 contract and at the completion of the project is to be used
34 for tribal purposes or in a tribal-owned business. The refund
35 shall be allowed under the same conditions as provided for the

