

House Amendment 9048

Amendment Text

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1 1 Amend [House File 2562](#), as passed by the House, as
1 2 follows:
1 3 #1. Page 1, by striking lines 1 through 31 and
1 4 inserting the following:
1 5 "Section 1. Section [421.17](#), Code Supplement 1999,
1 6 is amended by adding the following new subsection:
1 7 NEW SUBSECTION. 22B. Enter into agreements or
1 8 compacts with remote sellers, retailers, or third-
1 9 party providers for the voluntary collection of Iowa
1 10 sales or use taxes attributable to sales into Iowa and
1 11 to enter into multistate agreements or compacts that
1 12 provide for the voluntary collection of sales and use
1 13 taxes. The agreements or compacts shall generally
1 14 conform to the provisions of Iowa sales and use tax
1 15 statutes. All fees for services, reimbursements,
1 16 remuneration, incentives, and costs incurred by the
1 17 department associated with these agreements or
1 18 compacts may be paid or reimbursed from the additional
1 19 revenue generated. An amount is appropriated from
1 20 amounts generated to pay or reimburse all costs
1 21 associated with this subsection. Persons entering
1 22 into an agreement or compact with the department
1 23 pursuant to this subsection are subject to the
1 24 requirements and penalties of the confidentiality laws
1 25 of this state regarding tax information.
1 26 Notwithstanding any other provisions of law, the
1 27 contract, agreement, or compact shall provide for the
1 28 registration, collection, report, and verification of
1 29 amounts subject to this subsection.
1 30 Sec. 2. Section [422.43](#), Code Supplement 1999, is
1 31 amended by adding the following new subsection:
1 32 NEW SUBSECTION. 15. For purposes of this
1 33 division, a sale of tangible personal property does
1 34 not occur if the substance of the transaction is
1 35 delivered to the purchaser digitally, electronically,
1 36 or utilizing cable, or by radio waves, microwaves,
1 37 satellites, or fiber optics.
1 38 This subsection is repealed December 31, 2002.
1 39 Sec. 3. Section [422.45](#), Code Supplement 1999, is
1 40 amended by adding the following new subsection:
1 41 NEW SUBSECTION. 57. The gross receipts from the
1 42 services rendered, furnished, or performed of the sale
1 43 or rental of information services. "Information
1 44 services" means every business activity, process, or
1 45 function by which a seller or its agent accumulates,
1 46 prepares, organizes, or conveys data, facts,
1 47 knowledge, procedures, and like services to a buyer or
1 48 its agent of such information through any tangible or
1 49 intangible medium. Information accumulated, prepared,
1 50 or organized for a buyer or its agent is an
2 1 information service even though it may incorporate
2 2 preexisting components of data or other information.
2 3 Information services include, but are not limited to,
2 4 database files, mailing lists, subscription files,
2 5 market research, credit reports, surveys, real estate
2 6 listings, bond rating reports, abstracts of title, bad
2 7 check lists, broadcasting rating services, wire

2 8 services, and scouting reports, or other similar
2 9 items.

2 10 Sec. 4. Section [423.1](#), Code Supplement 1999, is
2 11 amended by adding the following new subsection:

2 12 NEW SUBSECTION. 12A. "Tangible personal property"
2 13 does not include the substance of a transaction that
2 14 is delivered to the purchaser digitally,
2 15 electronically, or utilizing cable, or by radio waves,
2 16 microwaves, satellites, or fiber optics.

2 17 This subsection is repealed December 31, 2002.

2 18 Sec. 5.

2 19 1. The legislative council is requested to
2 20 establish an e-commerce task force to study the issues
2 21 e-commerce has generated under the state sales and use
2 22 taxes, including the status as tangible or intangible
2 23 property of the substance of transactions that are
2 24 delivered digitally, electromagnetically, or through
2 25 or by means of cable, satellites, or fiber optics, and
2 26 vendor discounts.

2 27 2. The members of the task force should be
2 28 selected by the legislative council from names
2 29 submitted to the legislative council by July 1, 2000.
2 30 The membership shall consist of at least the
2 31 following:

2 32 a. Two members from the department of revenue and
2 33 finance.

2 34 b. One member representing business taxpayers.

2 35 c. One member representing the retailer community
2 36 as a whole.

2 37 d. One member who is employed by a large state or
2 38 national retailer.

2 39 e. One member who is employed by a small main
2 40 street retailer.

2 41 f. One member familiar with the e-commerce
2 42 industry.

2 43 g. One member who is an economist familiar with e-
2 44 commerce issues.

2 45 h. One member who is a representative of local
2 46 governments.

2 47 i. One member representing the taxpayers as a
2 48 whole.

2 49 j. Four members who are members of the general
2 50 assembly, two who are senators and two who are
3 1 representatives appointed by the legislative council
3 2 with a senator and representative representing the
3 3 majority party and a senator and representative
3 4 representing the minority party.

3 5 Alternative members may be appointed for the
3 6 nonlegislative members.

3 7 3. The task force shall provide the general
3 8 assembly with a preliminary report by January 1, 2001.
3 9 The final report with the task force's findings and
3 10 recommendations is due by January 1, 2002."

3 11 #2. Title page, line 6, by inserting after the
3 12 word "refunds," the following: "requesting a task
3 13 force be established,".

3 14 [HF 2562S](#)

3 15 mg/cc/26