

House Amendment 8566

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1 1 Amend House File 2794 as follows:
1 2 ~~#1.~~ By striking everything after the enacting
1 3 clause and inserting the following:
1 4 <DIVISION I
1 5 TAX ADMINISTRATION AND POLICY
1 6 Section 1. Section 15E.193B, subsection 8,
1 7 unnumbered paragraph 1, Code Supplement 2005, is
1 8 amended to read as follows:
1 9 The amount of the tax credits determined pursuant
1 10 to subsection 6, paragraph "a", for each project shall
1 11 be approved by the department of economic development.
1 12 The department shall utilize the financial information
1 13 required to be provided under subsection 5, paragraph
1 14 "e", to determine the tax credits allowed for each
1 15 project. In determining the amount of tax credits to
1 16 be allowed for a project, the department shall not
1 17 include the portion of the project cost financed
1 18 through federal, state, and local government tax
1 19 credits, grants, and forgivable loans. Upon approving
1 20 the amount of the tax credit, the department of
1 21 economic development shall issue a tax credit
1 22 certificate to the eligible housing business except
1 23 when low-income housing tax credits authorized under
1 24 section 42 of the Internal Revenue Code are used to
1 25 assist in the financing of the housing development in
1 26 which case the tax credit certificate may be issued to
1 27 a partner if the business is a partnership, a
1 28 shareholder if the business is an S corporation, or a
1 29 member if the business is a limited liability company
1 30 in the amounts designated by the eligible partnership,
1 31 S corporation, or limited liability company. An
1 32 eligible housing business or the designated partner if
1 33 the business is a partnership, designated shareholder
1 34 if the business is an S corporation, or designated
1 35 member if the business is a limited liability company,
1 36 or transferee shall not claim the tax credit unless a
1 37 tax credit certificate ~~issued by the department of~~
~~1 38 economic development~~ is attached to the taxpayer's
1 39 return for the tax year for which the tax credit is
1 40 claimed. The tax credit certificate shall contain the
1 41 taxpayer's name, address, tax identification number,
1 42 the amount of the tax credit, and other information
1 43 required by the department of revenue. The tax credit
1 44 certificate shall be transferable if the housing
1 45 development is located in a brownfield site as defined
1 46 in section 15.291, if the housing development is
1 47 located in a blighted area as defined in section
1 48 403.17, or if low-income housing tax credits
1 49 authorized under section 42 of the Internal Revenue
1 50 Code are used to assist in the financing of the
2 1 housing development. Not more than three million
2 2 dollars worth of tax credits for housing developments
2 3 that are located in a brownfield site as defined in
2 4 section 15.291 or housing developments located in a
2 5 blighted area as defined in section 403.17 shall be
2 6 transferred in one calendar year. The three million
2 7 dollar annual limit does not apply to tax credits
2 8 awarded to an eligible housing business having low-
2 9 income housing tax credits authorized under section 42
2 10 of the Internal Revenue Code to assist in the
2 11 financing of the housing development. The department
2 12 may approve an application for tax credit certificates
2 13 for transfer from an eligible housing business located
2 14 in a brownfield site as defined in section 15.291 or
2 15 in a blighted area as defined in section 403.17 that
2 16 would result in the issuance of more than three
2 17 million dollars of tax credit certificates for
2 18 transfer provided the department, through negotiation
2 19 with the eligible business, allocates those tax credit
2 20 certificates for transfer over more than one calendar
2 21 year. The department shall not ~~issue~~ approve more
2 22 than one million five hundred thousand dollars in tax
2 23 credit certificates for transfer to any one eligible
2 24 housing business located in a brownfield site as

2 25 defined in section 15.291 or in a blighted area as
2 26 defined in section 403.17 in a calendar year. If
2 27 three million dollars in tax credit certificates for
2 28 transfer have not been issued at the end of a calendar
2 29 year, the remaining tax credit certificates for
2 30 transfer may be issued in advance to an eligible
2 31 housing business scheduled to receive a tax credit
2 32 certificate for transfer in a later calendar year.
2 33 Any time the department ~~issues~~ approves a tax credit
2 34 certificate for transfer which has not been allocated
2 35 at the end of a calendar year, the department may
2 36 prorate the remaining certificates to more than one
2 37 eligible applicant. If the entire three million
2 38 dollars of tax credit certificates for transfer is not
2 39 issued in a given calendar year, the remaining amount
2 40 may be carried over to a succeeding calendar year.
2 41 Tax credit certificates issued under this chapter may
2 42 be transferred to any person or entity. The

2 43 department of economic development shall notify the
2 44 department of revenue of the tax credit certificates
2 45 which have been approved for transfer. Within ninety
2 46 days of transfer, the transferee must submit the
2 47 transferred tax credit certificate to the department
2 48 of ~~economic development~~ revenue along with a statement
2 49 containing the transferee's name, tax identification
2 50 number, and address, and the denomination that each
3 1 replacement tax credit certificate is to carry and any
3 2 other information required by the department of
3 3 revenue. Within thirty days of receiving the
3 4 transferred tax credit certificate and the
3 5 transferee's statement, the department of ~~economic~~
~~3 6 development~~ revenue shall issue one or more
3 7 replacement tax credit certificates to the transferee.
3 8 Each replacement certificate must contain the
3 9 information required to receive the original
3 10 certificate and must have the same expiration date
3 11 that appeared in the transferred tax credit
3 12 certificate. Tax credit certificate amounts of less
3 13 than the minimum amount established by rule of the
3 14 department of economic development shall not be
3 15 transferable. A tax credit shall not be claimed by a
3 16 transferee under subsection 6, paragraph "a", until a
3 17 replacement tax credit certificate identifying the
3 18 transferee as the proper holder has been issued.

3 19 Sec. 2. Section 68A.102, subsection 21, Code
3 20 Supplement 2005, is amended to read as follows:
3 21 21. "State income tax liability" means the state
3 22 individual income tax imposed under section 422.5
3 23 ~~reduced by the sum of the deductions from the computed~~
~~3 24 tax as provided under section 422.12, less the amounts~~
~~3 25 of nonrefundable credits allowed under chapter 422,~~
3 26 division II.

3 27 Sec. 3. Section 257.21, unnumbered paragraph 2,
3 28 Code 2005, is amended to read as follows:
3 29 The instructional support income surtax shall be
3 30 imposed on the state individual income tax for the
3 31 calendar year during which the school's budget year
3 32 begins, or for a taxpayer's fiscal year ending during
3 33 the second half of that calendar year and after the
3 34 date the board adopts a resolution to participate in
3 35 the program or the first half of the succeeding
3 36 calendar year, and shall be imposed on all individuals
3 37 residing in the school district on the last day of the
3 38 applicable tax year. As used in this section, "state
3 39 individual income tax" means the taxes computed under
3 40 section 422.5, less the amounts of nonrefundable
~~3 41 credits allowed in sections 422.11A, 422.11B, 422.12,~~
~~3 42 and 422.12B under chapter 422, division II.~~

3 43 Sec. 4. Section 331.605B, Code 2005, is amended to
3 44 read as follows:

3 45 331.605B FEES COLLECTED == AUDIT.
3 46 1. The recorder shall make available any
3 47 information required by the county or state auditor
3 48 concerning the fees collected under section 331.605A
3 49 for the purposes of determining the amount of fees
3 50 collected and the uses for which such fees are
4 1 expended.

4 2 2. A recorder shall collect only statutorily
4 3 authorized fees for land records management. A
4 4 recorder shall not collect a fee for viewing,
4 5 accessing, or printing documents in the county land

4 6 record information system unless specifically
4 7 authorized by statute. However, a recorder may
4 8 collect actual third-party fees associated with
4 9 accepting and processing statutorily authorized fees
4 10 including credit card fees, treasury management fees,
4 11 and other transaction fees required to enable
4 12 electronic payment. For the purposes of this
4 13 subsection, the term "third-party" does not include
4 14 the county land record information system, the Iowa
4 15 state association of counties, or any of the
4 16 association's affiliates.

4 17 Sec. 5. Section 368.7, subsection 5, Code
4 18 Supplement 2005, is amended to read as follows:
4 19 5. In the discretion of a city council, the
4 20 resolution provided for in subsection 1, paragraph
4 21 "d", or subsection 2 or 3, may include a provision for
4 22 a transition for the imposition of city taxes against
4 23 property within the annexation area as provided in
4 24 section 368.11, subsection 3, paragraph "m". ~~However,~~
4 25 ~~the city shall provide for such transition for the~~
4 26 ~~imposition of city taxes against that property that is~~
4 27 ~~included in the territory to be annexed without the~~
4 28 ~~consent of the landowner.~~

4 29 Sec. 6. Section 368.11, subsection 3, paragraph m,
4 30 Code Supplement 2005, is amended to read as follows:

4 31 m. ~~In the discretion of a city council, a A~~
4 32 provision for a transition for the imposition of city
4 33 taxes against property within an annexation area. The
4 34 provision shall allow for an exemption from taxation
4 35 of the following percentages of assessed valuation
4 36 according to the following schedule:

- 4 37 (1) For the first and second years, seventy-five
4 38 percent.
4 39 (2) For the third and fourth years, sixty percent.
4 40 (3) For the fifth and sixth years, forty-five
4 41 percent.
4 42 (4) For the seventh and eighth years, thirty
4 43 percent.
4 44 (5) For the ninth and tenth years, fifteen
4 45 percent.

4 46 An alternative schedule may be adopted by the city
4 47 council. ~~However, an An~~ alternative schedule shall
4 48 ~~not allow a greater an exemption that is equivalent to~~
4 49 ~~or greater than that provided in this paragraph. The~~
4 50 exemption shall be applied in the levy and collection
5 1 of taxes. The provision may also allow for the
5 2 partial provision of city services during the time in
5 3 which the exemption from taxation is in effect.

5 4 Sec. 7. Section 404A.4, subsection 5, unnumbered
5 5 paragraph 1, Code Supplement 2005, is amended to read
5 6 as follows:

5 7 Tax credit certificates issued under this chapter
5 8 may be transferred to any person or entity. Within
5 9 ninety days of transfer, the transferee must submit
5 10 the transferred tax credit certificate to the ~~state~~
5 11 ~~historic preservation office department of revenue~~
5 12 along with a statement containing the transferee's
5 13 name, tax identification number, and address, and the
5 14 denomination that each replacement tax credit
5 15 certificate is to carry and any other information
5 16 required by the department of revenue. Within thirty
5 17 days of receiving the transferred tax credit
5 18 certificate and the transferee's statement, the ~~office~~
5 19 ~~department of revenue~~ shall issue one or more
5 20 replacement tax credit certificates to the transferee.
5 21 Each replacement certificate must contain the
5 22 information required under subsection 2 and must have
5 23 the same expiration date that appeared in the
5 24 transferred tax credit certificate. Tax credit
5 25 certificate amounts of less than the minimum amount
5 26 established by rule of the ~~state historic preservation~~
5 27 ~~office~~ shall not be transferable. A tax credit shall
5 28 not be claimed by a transferee under this chapter
5 29 until a replacement tax credit certificate identifying
5 30 the transferee as the proper holder has been issued.

5 31 Sec. 8. Section 421.17, subsection 14, Code
5 32 Supplement 2005, is amended by striking the
5 33 subsection.

5 34 Sec. 9. Section 422.5, subsection 1, paragraph j,
5 35 subparagraph (2), unnumbered paragraph 2, Code 2005,
5 36 is amended to read as follows:

5 37 This subparagraph shall not affect the amount of
5 38 the taxpayer's checkoff to the Iowa election campaign
5 39 fund under section 68A.601, the checkoff for the fish
5 40 and game fund in section 456A.16 checkoffs under this
5 41 division, the credits from tax provided in sections
5 42 422.10, 422.11A, and 422.12 under this division, and
5 43 the allocation of these credits between spouses if the
5 44 taxpayers filed separate returns or separately on
5 45 combined returns.

5 46 Sec. 10. Section 422.5, subsection 1, paragraph k,
5 47 subparagraph (2), subparagraph subdivision (b), Code
5 48 2005, is amended to read as follows:

5 49 (b) Twenty-six thousand dollars for a single
5 50 person or ~~an unmarried~~ a head of household.

6 1 Sec. 11. Section 422.5, subsection 2, Code 2005,
6 2 is amended to read as follows:

6 3 2. However, the tax shall not be imposed on a
6 4 resident or nonresident whose net income, as defined
6 5 in section 422.7, is thirteen thousand five hundred
6 6 dollars or less in the case of married persons filing
6 7 jointly or filing separately on a combined return,
6 8 ~~unmarried~~ heads of household, and surviving spouses or
6 9 nine thousand dollars or less in the case of all other
6 10 persons; but in the event that the payment of tax
6 11 under this division would reduce the net income to
6 12 less than thirteen thousand five hundred dollars or
6 13 nine thousand dollars as applicable, then the tax
6 14 shall be reduced to that amount which would result in
6 15 allowing the taxpayer to retain a net income of
6 16 thirteen thousand five hundred dollars or nine
6 17 thousand dollars as applicable. The preceding
6 18 sentence does not apply to estates or trusts. For the
6 19 purpose of this subsection, the entire net income,
6 20 including any part of the net income not allocated to
6 21 Iowa, shall be taken into account. For purposes of
6 22 this subsection, net income includes all amounts of
6 23 pensions or other retirement income received from any
6 24 source which is not taxable under this division as a
6 25 result of the government pension exclusions in section
6 26 422.7, or any other state law. If the combined net
6 27 income of a husband and wife exceeds thirteen thousand
6 28 five hundred dollars, neither of them shall receive
6 29 the benefit of this subsection, and it is immaterial
6 30 whether they file a joint return or separate returns.
6 31 However, if a husband and wife file separate returns
6 32 and have a combined net income of thirteen thousand
6 33 five hundred dollars or less, neither spouse shall
6 34 receive the benefit of this paragraph, if one spouse
6 35 has a net operating loss and elects to carry back or
6 36 carry forward the loss as provided in section 422.9,
6 37 subsection 3. A person who is claimed as a dependent
6 38 by another person as defined in section 422.12 shall
6 39 not receive the benefit of this subsection if the
6 40 person claiming the dependent has net income exceeding
6 41 thirteen thousand five hundred dollars or nine
6 42 thousand dollars as applicable or the person claiming
6 43 the dependent and the person's spouse have combined
6 44 net income exceeding thirteen thousand five hundred
6 45 dollars or nine thousand dollars as applicable.

6 46 In addition, if the married persons', filing
6 47 jointly or filing separately on a combined return,
6 48 ~~unmarried~~ head of household's, or surviving spouse's
6 49 net income exceeds thirteen thousand five hundred
6 50 dollars, the regular tax imposed under this division
7 1 shall be the lesser of the maximum state individual
7 2 income tax rate times the portion of the net income in
7 3 excess of thirteen thousand five hundred dollars or
7 4 the regular tax liability computed without regard to
7 5 this sentence. Taxpayers electing to file separately
7 6 shall compute the alternate tax described in this
7 7 paragraph using the total net income of the husband
7 8 and wife. The alternate tax described in this
7 9 paragraph does not apply if one spouse elects to carry
7 10 back or carry forward the loss as provided in section
7 11 422.9, subsection 3.

7 12 Sec. 12. Section 422.6, unnumbered paragraph 1,
7 13 Code 2005, is amended to read as follows:

7 14 The tax imposed by section 422.5 less the amounts
7 15 of nonrefundable credits allowed under sections
7 16 15.333, 15.335, 422.10, 422.11, 422.11A, and 422.11B,
7 17 and the personal exemption credit allowed under

~~7 18 section 422.12 this division~~ apply to and are a charge
7 19 against estates and trusts with respect to their
7 20 taxable income, and the rates are the same as those
7 21 applicable to individuals. The fiduciary shall make
7 22 the return of income for the estate or trust for which
7 23 the fiduciary acts, whether the income is taxable to
7 24 the estate or trust or to the beneficiaries. However,
7 25 for tax years ending after August 5, 1997, if the
7 26 trust is a qualified preneed funeral trust as set
7 27 forth in section 685 of the Internal Revenue Code and
7 28 the trustee has elected the special tax treatment
7 29 under section 685 of the Internal Revenue Code,
7 30 neither the trust nor the beneficiary is subject to
7 31 Iowa income tax on income accruing to the trust.

7 32 Sec. 13. Section 422.7, subsection 21, paragraph
7 33 a, subparagraph (1), unnumbered paragraph 1, Code
7 34 Supplement 2005, is amended to read as follows:

7 35 Net capital gain from the sale of real property
7 36 used in a business, in which the taxpayer materially
7 37 participated for ten years, as defined in section
7 38 469(h) of the Internal Revenue Code, and which has
7 39 been held for a minimum of ten years, or from the sale
7 40 of a business, as defined in section 423.1, ~~in which~~
~~7 41 the taxpayer was employed or~~ in which the taxpayer
7 42 materially participated for ten years, as defined in
7 43 section 469(h) of the Internal Revenue Code, and which
7 44 has been held for a minimum of ten years. The sale of
7 45 a business means the sale of all or substantially all
7 46 of the tangible personal property or service of the
7 47 business.

7 48 Sec. 14. Section 422.9, subsection 1, Code
7 49 Supplement 2005, is amended to read as follows:

7 50 1. An optional standard deduction, after deduction
8 1 of federal income tax, equal to one thousand two
8 2 hundred thirty dollars for a married person who files
8 3 separately or a single person or equal to three
8 4 thousand thirty dollars for a husband and wife who
8 5 file a joint return, a surviving spouse, or ~~an~~
~~8 6 unmarried~~ a head of household. The optional standard
8 7 deduction shall not exceed the amount remaining after
8 8 deduction of the federal income tax. The amount of
8 9 federal income tax deducted shall be computed as
8 10 provided in subsection 2, paragraph "b".

8 11 Sec. 15. Section 422.10, subsection 4, Code
8 12 Supplement 2005, is amended to read as follows:

8 13 4. Any credit in excess of the tax liability
8 14 imposed by section 422.5 less the amounts of
~~8 15 nonrefundable credits allowed under sections 422.11A,~~
~~8 16 422.12, and 422.12B this division~~ for the taxable year
8 17 shall be refunded with interest computed under section
8 18 422.25. In lieu of claiming a refund, a taxpayer may
8 19 elect to have the overpayment shown on the taxpayer's
8 20 final, completed return credited to the tax liability
8 21 for the following taxable year.

8 22 Sec. 16. Section 422.10, Code Supplement 2005, is
8 23 amended by adding the following new subsection:

8 24 NEW SUBSECTION. 5. An individual may claim an
8 25 additional research activities credit authorized
8 26 pursuant to section 15.335 if the eligible business is
8 27 a partnership, S corporation, limited liability
8 28 company, or estate or trust which elects to have the
8 29 income taxed directly to the individual. The amount
8 30 of the credit shall be as provided in section 15.335.

8 31 Sec. 17. Section 422.11, Code 2005, is amended to
8 32 read as follows:

8 33 422.11 FRANCHISE TAX CREDIT.

8 34 The taxes imposed under this division, less the
8 35 credits allowed under ~~section~~ sections 422.12 and
~~8 36 422.12B~~, shall be reduced by a franchise tax credit.

8 37 A taxpayer who is a shareholder in a financial
8 38 institution, as defined in section 581 of the Internal
8 39 Revenue Code, which has in effect for the tax year an
8 40 election under subchapter S of the Internal Revenue
8 41 Code, or is a member of a financial institution
8 42 organized as a limited liability company under chapter
8 43 524 that is taxed as a partnership for federal income
8 44 tax purposes, shall compute the amount of the tax
8 45 credit by recomputing the amount of tax under this
8 46 division by reducing the taxable income of the
8 47 taxpayer by the taxpayer's pro rata share of the items
8 48 of income and expense of the financial institution and

8 49 subtracting the credits allowed under ~~section sections~~
8 50 422.12 and 422.12B. This recomputed tax shall be
9 1 subtracted from the amount of tax computed under this
9 2 division after the deduction for credits allowed under
9 3 ~~section sections~~ 422.12 and 422.12B. The resulting
9 4 amount, which shall not exceed the taxpayer's pro rata
9 5 share of the franchise tax paid by the financial
9 6 institution, is the amount of the franchise tax credit
9 7 allowed.

9 8 Sec. 18. Section 422.11B, subsection 1, unnumbered
9 9 paragraph 2, Code 2005, is amended to read as follows:

9 10 The minimum tax credit for a tax year is the
9 11 excess, if any, of the ~~adjusted~~ net minimum tax
9 12 imposed for all prior tax years beginning on or after
9 13 January 1, 1987, over the amount allowable as a credit
9 14 under this section for those prior tax years.

9 15 Sec. 19. Section 422.11B, subsection 2, unnumbered
9 16 paragraph 3, Code 2005, is amended to read as follows:

~~9 17 The adjusted net minimum tax for a tax year is the
9 18 net minimum tax for the tax year reduced by the amount
9 19 which would be the net minimum tax if the only item of
9 20 tax preference taken into account was that described
9 21 in paragraph (6) of section 57(a) of the Internal
9 22 Revenue Code.~~

9 23 Sec. 20. Section 422.11F, Code 2005, is amended to
9 24 read as follows:

9 25 422.11F INVESTMENT TAX CREDITS.

9 26 1. The taxes imposed under this division, less the
9 27 credits allowed under sections 422.12 and 422.12B,
9 28 shall be reduced by an investment tax credit
9 29 authorized pursuant to section 15E.43 for an
9 30 investment in a qualifying business or a community=
9 31 based seed capital fund.

~~9 32 2. The taxes imposed under this division, less the
9 33 credits allowed under sections 422.12 and 422.12B,
9 34 shall be reduced by investment tax credits authorized
9 35 pursuant to sections 15.333 and 15E.193B, subsection
9 36 6.~~

9 37 Sec. 21. NEW SECTION. 422.11M IOWA FUND OF FUNDS
9 38 TAX CREDIT.

9 39 The taxes imposed under this division, less the
9 40 credits allowed under sections 422.12 and 422.12B,
9 41 shall be reduced by a tax credit authorized pursuant
9 42 to section 15E.66, if redeemed, for investments in the
9 43 Iowa fund of funds.

9 44 Sec. 22. Section 422.12, subsection 3, Code 2005,
9 45 is amended to read as follows:

9 46 3. For the purpose of this section, the
9 47 determination of whether an individual is married
9 48 shall be made ~~as of the close of the individual's tax~~
9 49 ~~year unless the individual's spouse dies during the~~
9 50 ~~individual's tax year, in which case the determination~~
10 1 ~~shall be made as of the date of the spouse's death in~~
10 2 ~~accordance with section 7703 of the Internal Revenue~~
10 3 ~~Code. An individual legally separated from the~~

~~10 4 individual's spouse under a decree of divorce or of~~
10 5 ~~separate maintenance shall not be considered married.~~

10 6 Sec. 23. Section 422.12A, subsection 2, Code 2005,
10 7 is amended to read as follows:

10 8 2. The director of revenue shall draft the income
10 9 tax form to allow the designation of contributions to
10 10 the keep Iowa beautiful fund on the tax return. The
10 11 department of revenue, on or before January 31, shall
10 12 transfer the total amount designated on the tax return
10 13 forms due in the preceding calendar year to the keep
10 14 Iowa beautiful fund. However, before a checkoff
10 15 pursuant to this section shall be permitted, all
10 16 liabilities on the books of the department of ~~revenue~~
10 17 administrative services and accounts identified as
10 18 owing under section ~~421-17~~ 8A.504 and the political
10 19 contribution allowed under section 68A.601 shall be
10 20 satisfied.

10 21 Sec. 24. Section 422.12C, subsection 1, unnumbered
10 22 paragraph 1, Code Supplement 2005, is amended to read
10 23 as follows:

10 24 The taxes imposed under this division, less the
10 25 amounts of nonrefundable credits allowed under
10 26 ~~sections 422.11A, 422.11B, 422.12, and 422.12B~~ this
10 27 division, shall be reduced by a child and dependent
10 28 care credit equal to the following percentages of the
10 29 federal child and dependent care credit provided in

10 30 section 21 of the Internal Revenue Code:
10 31 Sec. 25. Section 422.12C, subsection 2, paragraph
10 32 a, unnumbered paragraph 1, Code Supplement 2005, is
10 33 amended to read as follows:
10 34 ~~In lieu of the child and dependent care credit~~
~~10 35 authorized in subsection 1, a taxpayer may claim The~~
~~10 36 taxes imposed under this division, less the amounts of~~
~~10 37 nonrefundable credits allowed under this division, may~~
~~10 38 be reduced by an early childhood development tax~~
10 39 credit equal to twenty-five percent of the first one
10 40 thousand dollars which the taxpayer has paid to others
10 41 for each dependent, as defined in the Internal Revenue
10 42 Code, ages three through five for early childhood
10 43 development expenses. In determining the amount of
10 44 early childhood development expenses, such expenses
10 45 paid during November and December of the previous tax
10 46 year shall be considered paid in the tax year for
10 47 which the tax credit is claimed. This credit is
10 48 available to a taxpayer whose net income is less than
10 49 forty-five thousand dollars. If the early childhood
10 50 development tax credit is claimed for a tax year, the
11 1 taxpayer and the taxpayer's spouse shall not claim the
11 2 child and dependent care credit under subsection 1.
11 3 As used in this subsection, "early childhood
11 4 development expenses" means services provided to the
11 5 dependent by a preschool, as defined in section
11 6 237A.1, materials, and other activities as follows:
11 7 Sec. 26. Section 422.12F, subsection 2, Code 2005,
11 8 is amended to read as follows:
11 9 2. The director of revenue shall draft the income
11 10 tax form to allow the designation of contributions to
11 11 the volunteer fire fighter preparedness fund on the
11 12 tax return. The department of revenue, on or before
11 13 January 31, shall certify the total amount designated
11 14 on the tax return forms due in the preceding calendar
11 15 year and shall report the amount to the treasurer of
11 16 state. The treasurer of state shall credit the amount
11 17 to the volunteer fire fighter preparedness fund.
11 18 However, before a checkoff pursuant to this section
11 19 shall be permitted, all liabilities on the books of
11 20 the department of ~~revenue~~ administrative services and
11 21 accounts identified as owing under section ~~421.17~~
11 22 8A.504 and the political contribution allowed under
11 23 section 68A.601 shall be satisfied.
11 24 Sec. 27. NEW SECTION. 422.12G INCOME TAX
11 25 CHECKOFF FOR IOWA ELECTION CAMPAIGN FUND.
11 26 A person who files an individual or a joint income
11 27 tax return with the department of revenue under
11 28 section 422.13 may designate a contribution to the
11 29 Iowa election campaign fund authorized pursuant to
11 30 section 68A.601.
11 31 Sec. 28. NEW SECTION. 422.12H INCOME TAX
11 32 CHECKOFF FOR FISH AND GAME PROTECTION FUND.
11 33 A person who files an individual or a joint income
11 34 tax return with the department of revenue under
11 35 section 422.13 may designate a contribution to the
11 36 state fish and game protection fund authorized
11 37 pursuant to section 456A.16.
11 38 Sec. 29. Section 422.33, subsection 5, Code
11 39 Supplement 2005, is amended by adding the following
11 40 new paragraphs:
11 41 NEW PARAGRAPH. f. A corporation which is a
11 42 primary business or a supporting business in a quality
11 43 jobs enterprise zone may claim the research activities
11 44 credit authorized pursuant to section 15A.9,
11 45 subsection 8, in lieu of the credit computed in
11 46 paragraph "a" or "b".
11 47 NEW PARAGRAPH. g. A corporation which is an
11 48 eligible business may claim an additional research
11 49 activities credit authorized pursuant to section
11 50 15.335.
12 1 Sec. 30. Section 422.33, subsection 7, paragraph
12 2 a, unnumbered paragraph 2, Code Supplement 2005, is
12 3 amended to read as follows:
12 4 The minimum tax credit for a tax year is the
12 5 excess, if any, of the ~~adjusted~~ net minimum tax
12 6 imposed for all prior tax years beginning on or after
12 7 January 1, 1987, over the amount allowable as a credit
12 8 under this subsection for those prior tax years.
12 9 Sec. 31. Section 422.33, subsection 7, paragraph
12 10 b, unnumbered paragraph 3, Code Supplement 2005, is

12 11 amended to read as follows:

~~12 12 The adjusted net minimum tax for a tax year is the
12 13 net minimum tax for the tax year reduced by the amount
12 14 which would be the net minimum tax if the only item of
12 15 tax preference taken into account was that described
12 16 in paragraph (6) of section 57(a) of the Internal
12 17 Revenue Code.~~

12 18 Sec. 32. Section 422.33, subsection 12, Code
12 19 Supplement 2005, is amended to read as follows:

12 20 12. a. The taxes imposed under this division
12 21 shall be reduced by an investment tax credit
12 22 authorized pursuant to section 15E.43 for an
12 23 investment in a qualifying business or a community-
12 24 based seed capital fund.

~~12 25 b. The taxes imposed under this division shall be
12 26 reduced by investment tax credits authorized pursuant
12 27 to sections 15.333, 15A.9, subsection 4, and 15E.193B,
12 28 subsection 6.~~

12 29 Sec. 33. Section 422.33, Code Supplement 2005, is
12 30 amended by adding the following new subsections:

12 31 NEW SUBSECTION. 20. The taxes imposed under this
12 32 division shall be reduced by a corporate tax credit
12 33 authorized pursuant to section 15.331C for certain
12 34 sales taxes paid by a third-party developer.

12 35 NEW SUBSECTION. 21. The taxes imposed under this
12 36 division shall be reduced by a tax credit authorized
12 37 pursuant to section 15E.66, if redeemed, for
12 38 investments in the Iowa fund of funds.

12 39 Sec. 34. Section 422.60, subsection 2, paragraphs
12 40 a and b, Code Supplement 2005, are amended to read as
12 41 follows:

12 42 a. Add items of tax preference included in federal
12 43 alternative minimum taxable income under section 57,
12 44 except subsections (a)(1) and (a)(5), of the Internal
12 45 Revenue Code, make the adjustments included in federal
12 46 alternative minimum taxable income under section 56,
12 47 except subsections (a)(4), (c)(1), (d), ~~(f)~~, and (g),
12 48 of the Internal Revenue Code, and add losses as
12 49 required by section 58 of the Internal Revenue Code.

12 50 b. Make the adjustments provided in section
13 1 56(c)(1) of the Internal Revenue Code, except that in
13 2 making the calculation under ~~sections 56(f)(1) and~~
13 3 section 56(g)(1) of the Internal Revenue Code the
13 4 state alternative minimum taxable income, computed
13 5 without regard to the adjustments made by this
13 6 paragraph, the exemption provided for in paragraph
13 7 "d", and the state alternative tax net operating loss
13 8 described in paragraph "e", shall be substituted for
13 9 the items described in ~~sections 56(f)(1)(B) and~~
13 10 section 56(g)(1)(B) of the Internal Revenue Code.

13 11 Sec. 35. Section 422.60, subsection 3, paragraph
13 12 a, unnumbered paragraph 2, Code Supplement 2005, is
13 13 amended to read as follows:

13 14 The minimum tax credit for a tax year is the
13 15 excess, if any, of the ~~adjusted~~ net minimum tax
13 16 imposed for all prior tax years beginning on or after
13 17 January 1, 1987, over the amount allowable as a credit
13 18 under this subsection for those prior tax years.

13 19 Sec. 36. Section 422.60, subsection 3, paragraph
13 20 b, unnumbered paragraph 3, Code Supplement 2005, is
13 21 amended to read as follows:

~~13 22 The adjusted net minimum tax for a tax year is the
13 23 net minimum tax for the tax year reduced by the amount
13 24 which would be the net minimum tax if the only item of
13 25 tax preference taken into account was that described
13 26 in paragraph (6) of section 57(a) of the Internal
13 27 Revenue Code.~~

13 28 Sec. 37. Section 422.60, subsection 5, Code
13 29 Supplement 2005, is amended to read as follows:

13 30 5. a. The taxes imposed under this division shall
13 31 be reduced by an investment tax credit authorized
13 32 pursuant to section 15E.43 for an investment in a
13 33 qualifying business or a community-based seed capital
13 34 fund.

~~13 35 b. The taxes imposed under this division shall be
13 36 reduced by investment tax credits authorized pursuant
13 37 to sections 15.333 and 15E.193B, subsection 6.~~

13 38 Sec. 38. Section 422.60, Code Supplement 2005, is
13 39 amended by adding the following new subsections:

13 40 NEW SUBSECTION. 11. The taxes imposed under this
13 41 division shall be reduced by a corporate tax credit

13 42 authorized pursuant to section 15.331C for certain
13 43 sales taxes paid by a third-party developer.
13 44 NEW SUBSECTION. 12. The taxes imposed under this
13 45 division shall be reduced by a tax credit authorized
13 46 pursuant to section 15E.66, if redeemed, for
13 47 investments in the Iowa fund of funds.
13 48 Sec. 39. Section 422D.2, Code 2005, is amended to
13 49 read as follows:

13 50 422D.2 LOCAL INCOME SURTAX.
14 1 A county may impose by ordinance a local income
14 2 surtax as provided in section 422D.1 at the rate set
14 3 by the board of supervisors, of up to one percent, on
14 4 the state individual income tax of each individual
14 5 residing in the county at the end of the individual's
14 6 applicable tax year. However, the cumulative total of
14 7 the percents of income surtax imposed on any taxpayer
14 8 in the county shall not exceed twenty percent. The
14 9 reason for imposing the surtax and the amount needed
14 10 shall be set out in the ordinance. The surtax rate
14 11 shall be set to raise only the amount needed. For
14 12 purposes of this section, "state individual income
14 13 tax" means the tax computed under section 422.5, less
14 14 the amounts of nonrefundable credits allowed in
~~14 15 sections 422.11A, 422.11B, 422.12, and 422.12B under~~
~~14 16 chapter 422, division II.~~

14 17 Sec. 40. Section 423.3, subsection 18, Code
14 18 Supplement 2005, is amended by adding the following
14 19 new paragraph:
14 20 NEW PARAGRAPH. f. Home and community based
14 21 services providers certified to offer Medicaid waiver
14 22 services by the department of human services that are
14 23 any of the following:
14 24 (1) Ill and handicapped waiver service providers,
14 25 described in 441 IAC 77.30.
14 26 (2) Hospice providers, described in 441 IAC 77.32.
14 27 (3) Elderly waiver service providers, described in
14 28 441 IAC 77.33.
14 29 (4) AIDS/HIV waiver service providers, described
14 30 in 441 IAC 77.34.
14 31 (5) Federally qualified health centers, described
14 32 in 441 IAC 77.35.
14 33 (6) MR waiver service providers, described in 441
14 34 IAC 77.37.

14 35 (7) Brain injury waiver service providers,
14 36 described in 441 IAC 77.39.
14 37 Sec. 41. Section 423.3, subsection 39, Code
14 38 Supplement 2005, is amended by adding the following
14 39 new paragraph:
14 40 NEW PARAGRAPH. c. Notwithstanding paragraph "a",
14 41 the sale, furnishing, or performance of a service that
14 42 is of a recurring nature by the owner if, at the time
14 43 of the sale, all of the following apply:
14 44 (1) The seller is not engaged for profit in the
14 45 business of the selling, furnishing, or performance of
14 46 services taxed under section 423.2. For purposes of
14 47 this subparagraph, the fact of the recurring nature of
14 48 selling, furnishing, or performance of services does
14 49 not constitute by itself engaging for profit in the
14 50 business of selling, furnishing, or performance of
15 1 services.

15 2 (2) The owner of the business is the only person
15 3 performing the service.
15 4 (3) The owner of the business is a full-time
15 5 student.
15 6 (4) The total gross receipts from the sales,
15 7 furnishing, or performance of services during the
15 8 calendar year does not exceed five thousand dollars.

15 9 Sec. 42. Section 423.3, subsection 50, Code
15 10 Supplement 2005, is amended to read as follows:
15 11 50. The sales price of sales of electricity,
15 12 steam, or any taxable service when purchased and used
15 13 in the processing of tangible personal property
15 14 intended to be sold ultimately at retail or of any
~~15 15 fuel which is consumed in creating power, heat, or~~
~~15 16 steam for processing or for generating electric~~
~~15 17 current.~~

15 18 Sec. 43. Section 423.3, subsection 86, Code
15 19 Supplement 2005, is amended to read as follows:
15 20 86. The sales price from services performed on a
15 21 vessel if all of the following apply:
15 22 a. The vessel is a licensed vessel under the laws

15 23 of the United States coast guard.

15 24 ~~b. The vessel is not moored or tied to a physical~~
~~15 25 location in this state.~~

15 26 ~~e. b.~~ The service is used to repair or restore a
15 27 defect in the vessel.

15 28 ~~d. c.~~ The vessel is engaged in interstate
15 29 commerce and will continue in interstate commerce once
15 30 the repairs or restoration is completed.

15 31 ~~e. d.~~ The vessel is in navigable water that
15 32 borders ~~the eastern~~ a boundary of this state.

15 33 For purposes of this exemption, "vessel" includes a
15 34 ship, barge, or other waterborne vessel.

15 35 Sec. 44. Section 423.3, Code Supplement 2005, is
15 36 amended by adding the following new subsection:

15 37 NEW SUBSECTION. 89. a. The sales price from the
15 38 sale of coins, currency, or bullion.

15 39 b. For purposes of this subsection:

15 40 (1) "Bullion" means bars, ingots, or commemorative
15 41 medallions of gold, silver, platinum, palladium, or a
15 42 combination of these where the value of the metal
15 43 depends on its content and not the form.

15 44 (2) "Coins" or "currency" means a coin or currency
15 45 made of gold, silver, or other metal or paper which is
15 46 or has been used as legal tender.

15 47 Sec. 45. Section 423.6, subsection 10, Code 2005,
15 48 is amended by adding the following new unnumbered
15 49 paragraph:

15 50 NEW UNNUMBERED PARAGRAPH. This exemption applies
16 1 to corporations that have been in existence for not
16 2 longer than twenty-four months.

16 3 Sec. 46. Section 423.6, Code 2005, is amended by
16 4 adding the following new subsection:

16 5 NEW SUBSECTION. 25. Exempted from the purchase
16 6 price of a replacement motor vehicle owned by a motor
16 7 vehicle dealer licensed under chapter 322 which is
16 8 being registered by that dealer and is not otherwise
16 9 exempt from tax is the fair market value of a replaced
16 10 motor vehicle if all of the following conditions are
16 11 met:

16 12 a. The motor vehicle being registered is being
16 13 placed in service as a replacement motor vehicle for a
16 14 motor vehicle registered by the motor vehicle dealer.

16 15 b. The motor vehicle being registered is taken
16 16 from the motor vehicle dealer's inventory.

16 17 c. Use tax on the motor vehicle being replaced was
16 18 paid by the motor vehicle dealer when that motor
16 19 vehicle was registered.

16 20 d. The replaced motor vehicle is returned to the
16 21 motor vehicle dealer's inventory for sale.

16 22 e. The application for registration and title of
16 23 the motor vehicle being registered is filed with the
16 24 county treasurer within two weeks of the date the
16 25 replaced motor vehicle is returned to the motor
16 26 vehicle dealer's inventory.

16 27 f. The motor vehicle being registered is placed in
16 28 the same or substantially similar service as the
16 29 replaced motor vehicle.

16 30 Sec. 47. Section 423.8, Code 2005, is amended to
16 31 read as follows:

16 32 423.8 LEGISLATIVE FINDING AND INTENT.

16 33 The general assembly finds that Iowa should enter
16 34 into an agreement with one or more states to simplify
16 35 and modernize sales and use tax administration in
16 36 order to substantially reduce the burden of tax
16 37 compliance for all sellers and for all types of
16 38 commerce. It is the intent of the general assembly
16 39 that entering into this agreement will lead to
16 40 simplification and modernization of the sales and use
16 41 tax law and not to the imposition of new taxes or an
16 42 increase or decrease in the existing number of
16 43 exemptions, unless such a result is unavoidable under
16 44 the terms of the agreement. Entering into this
16 45 agreement should not cause businesses to sustain
16 46 additional administrative burden.

16 47 It is the intent of the general assembly to provide
16 48 Iowa sellers, impacted by the agreement, with the
16 49 assistance necessary to alleviate administrative
16 50 burdens that result in participation in the agreement.

17 1 The director and the Iowa streamlined sales tax
17 2 advisory council shall provide recommendations to
17 3 address the new administrative burden identified in

17 4 the Iowa streamlined sales tax advisory council 2005
17 5 report submitted to the Iowa general assembly. The
17 6 recommendations must be submitted to the general
17 7 assembly by January 1, 2007, and shall include the
17 8 expenses associated and all relevant data including
17 9 but not limited to the number of intrastate sellers
17 10 impacted by the agreement.

17 11 Sec. 48. Section 423.9, Code 2005, is amended to
17 12 read as follows:

17 13 423.9 AUTHORITY TO ENTER AGREEMENT AND TO
17 14 REPRESENT THE STATE.

17 15 1. The director is authorized and directed to
17 16 enter into the streamlined sales and use tax agreement
17 17 with one or more states to simplify and modernize
17 18 sales and use tax administration in order to
17 19 substantially reduce the burden of tax compliance for
17 20 all sellers and for all types of commerce.

17 21 2. The director is further authorized to take
17 22 other actions reasonably required to implement the
17 23 provisions set forth in this chapter. Other actions
17 24 authorized by this section include, but are not
17 25 limited to, the adoption of rules and the joint
17 26 procurement, with other member states, of goods and
17 27 services in furtherance of the cooperative agreement.

~~17 28 The director or the director's designee is
17 29 authorized to be a member of the governing board
17 30 established pursuant to the agreement and to represent
17 31 Iowa before that body.~~

17 32 3. Four representatives are authorized to be
17 33 members of the governing board established pursuant to
17 34 the agreement and to represent Iowa before that body
17 35 as one vote. The representatives shall be appointed
17 36 as follows:

17 37 a. One representative shall be a member of the
17 38 house of representatives who is appointed by the
17 39 speaker of the house of representatives or the
17 40 delegate's designee who shall also be a member of the
17 41 house of representatives.

17 42 b. One representative shall be a member of the
17 43 senate who is appointed by the majority leader of the
17 44 senate or the delegate's designee who shall also be a
17 45 member of the senate.

17 46 c. Two representatives from the executive branch
17 47 shall be appointed by the governor, one of whom shall
17 48 be the director, or each delegate's designee who shall
17 49 also be employed by the executive branch.

17 50 Sec. 49. NEW SECTION. 423.9A IOWA STREAMLINED
18 1 SALES TAX ADVISORY COUNCIL.

18 2 1. An Iowa streamlined sales tax advisory council
18 3 is created. The advisory council shall review, study,
18 4 and submit recommendations to the Iowa streamlined
18 5 sales and use tax representatives appointed pursuant
18 6 to section 423.9, subsection 3, regarding the
18 7 streamlined sales and use tax agreement formalized by
18 8 the project's member states on November 12, 2002,
18 9 agreement amendments, proposed language conforming
18 10 Iowa's sales and use tax to the national agreement,
18 11 and the following issues:

18 12 a. Uniform definitions proposed in the current
18 13 agreement and future proposals.

18 14 b. Effects upon taxability of items newly defined
18 15 in Iowa.

18 16 c. Impacts upon business as a result of the
18 17 agreement.

18 18 d. Technology implementation issues.

18 19 e. Any other issues that are brought before the
18 20 streamlined sales and use tax member state or the
18 21 streamlined sales and use tax governing board.

18 22 2. The department shall provide administrative
18 23 support to the Iowa streamlined sales tax advisory
18 24 council. The advisory council shall be representative
18 25 of Iowa's business community and economy when
18 26 reviewing and recommending solutions to streamlined
18 27 sales and use tax issues. The advisory council shall
18 28 provide the general assembly and the governor with
18 29 final recommendations made to the Iowa streamlined
18 30 sales and use tax representatives upon the conclusion
18 31 of each calendar year.

18 32 3. The director, in consultation with the Iowa
18 33 taxpayers association and the Iowa association of
18 34 business and industry, shall appoint members to the

18 35 Iowa streamlined sales tax advisory council, which
18 36 shall consist of the following members:
18 37 a. One member from the department.
18 38 b. Three members representing small Iowa
18 39 businesses, at least one of whom must be a retailer,
18 40 and at least one of whom shall be a supplier.
18 41 c. Three members representing medium Iowa
18 42 businesses, at least one of whom shall be a retailer,
18 43 and at least one of whom shall be a supplier.
18 44 d. Three members representing large Iowa
18 45 businesses, at least one of whom shall be a retailer,
18 46 and at least one of whom shall be a supplier.
18 47 e. One member representing taxpayers as a whole.
18 48 f. One member representing the retail community as
18 49 a whole.
18 50 g. Any other member representative of business the
19 1 director deems appropriate.

19 2 Sec. 50. Section 423.33, subsection 3, Code
19 3 Supplement 2005, is amended to read as follows:
19 4 3. EVENT SPONSOR'S LIABILITY FOR SALES TAX. A
19 5 person sponsoring a flea market or a craft, antique,
19 6 coin, or stamp show or similar event shall obtain from
19 7 every retailer selling tangible personal property or
19 8 taxable services at the event proof that the retailer
19 9 possesses a valid sales tax permit or secure from the
19 10 retailer a statement, taken in good faith, that
19 11 property or services offered for sale are not subject
19 12 to sales tax. Failure to do so renders a sponsor of
19 13 the event liable for payment of any sales tax,
19 14 interest, and penalty due and owing from any retailer
19 15 selling property or services at the event. Sections
19 16 423.31, 423.32, 423.37, 423.38, 423.39, 423.40,
19 17 423.41, and 423.42 apply to the sponsors. For
19 18 purposes of this subsection, a person sponsoring a
19 19 flea market or a craft, antique, coin, or stamp show
19 20 or similar event does not include an organization
19 21 which sponsors an event ~~less than three times a year~~
19 22 determined to qualify as an event involving casual
19 23 sales pursuant to section 423.3, subsection 39, or the
19 24 state fair or a fair as defined in section 174.1.

19 25 Sec. 51. Section 423.37, subsection 2, Code 2005,
19 26 is amended to read as follows:
19 27 2. If a return required by this subchapter is not
19 28 filed, or if a return when filed is incorrect or
19 29 insufficient and the maker fails to file a corrected
19 30 or sufficient return within twenty days after the same
19 31 is required by notice from the department, the
19 32 department shall determine the amount of tax due from
19 33 information as the department may be able to obtain
19 34 and, if necessary, may estimate the tax on the basis
19 35 of external indices, such as number of employees of
19 36 the person concerned, rentals paid by the person,
19 37 stock on hand, or other factors. The determination
19 38 may be made using any generally recognized valid and
19 39 reliable sampling technique, whether or not the person
19 40 being audited has complete records, as mutually agreed
19 41 upon by the department and the taxpayer. The
19 42 department shall give notice of the determination to
19 43 the person liable for the tax. The determination
19 44 shall fix the tax unless the person against whom it is
19 45 assessed shall, within sixty days after the giving of
19 46 notice of the determination, apply to the director for
19 47 a hearing or unless the taxpayer contests the
19 48 determination by paying the tax, interest, and penalty
19 49 and timely filing a claim for refund. At the hearing,
19 50 evidence may be offered to support the determination
20 1 or to prove that it is incorrect. After the hearing
20 2 the director shall give notice of the decision to the
20 3 person liable for the tax.

20 4 Sec. 52. Section 425.11, subsection 4, Code
20 5 Supplement 2005, is amended to read as follows:
20 6 4. The word "owner" shall mean the person who
20 7 holds the fee simple title to the homestead, and in
20 8 addition shall mean the person occupying as a
20 9 surviving spouse or the person occupying under a
20 10 contract of purchase which contract has been recorded
20 11 in the office of the county recorder of the county in
20 12 which the property is located, ~~7;~~ or the person
20 13 occupying the homestead under devise or by operation
20 14 of the inheritance laws where the whole interest
20 15 passes or where the divided interest is shared only by

20 16 persons related or formerly related to each other by
20 17 blood, marriage or adoption; or the person occupying
20 18 the homestead is a shareholder of a family farm
20 19 corporation that owns the property; or the person
20 20 occupying the homestead under a deed which conveys a
20 21 divided interest where the divided interest is shared
20 22 only by persons related or formerly related to each
20 23 other by blood, marriage or adoption; or where the
20 24 person occupying the homestead holds a life estate
20 25 with the reversion interest held by a nonprofit
20 26 corporation organized under chapter 504, provided that
20 27 the holder of the life estate is liable for and pays
20 28 property tax on the homestead; or where the person
20 29 occupying the homestead holds an interest in a
20 30 horizontal property regime under chapter 499B,
20 31 regardless of whether the underlying land committed to
20 32 the horizontal property regime is in fee or as a
20 33 leasehold interest, provided that the holder of the
20 34 interest in the horizontal property regime is liable
20 35 for and pays property tax on the homestead; or where
20 36 the person occupying the homestead is a member of a
20 37 community land trust as defined in 42 U.S.C. } 12773,
20 38 regardless of whether the underlying land is in fee or
20 39 as a leasehold interest, provided that the member of
20 40 the community land trust is occupying the homestead
20 41 and is liable for and pays property tax on the
20 42 homestead. For the purpose of this chapter the word
20 43 "owner" shall be construed to mean a bona fide owner
20 44 and not one for the purpose only of availing the
20 45 person of the benefits of this chapter. In order to
20 46 qualify for the homestead tax credit, evidence of
20 47 ownership shall be on file in the office of the clerk
20 48 of the district court or recorded in the office of the
20 49 county recorder at the time the owner files with the
20 50 assessor a verified statement of the homestead claimed

21 1 by the owner as provided in section 425.2.
21 2 Sec. 53. Section 427.1, subsection 2, Code
21 3 Supplement 2005, is amended to read as follows:
21 4 2. MUNICIPAL AND MILITARY PROPERTY. The property
21 5 of a county, township, city, school corporation, levee
21 6 district, drainage district, or the Iowa national
21 7 guard, when devoted to public use and not held for
21 8 pecuniary profit, except property of a municipally
21 9 owned electric utility held under joint ownership and
21 10 property of an electric power facility financed under
21 11 chapter 28F or 476A that shall be subject to taxation
21 12 under chapter 437A and facilities of a municipal
21 13 utility that are used for the provision of local
21 14 exchange services pursuant to chapter 476, but only to
21 15 the extent such facilities are used to provide such
21 16 services, which shall be subject to taxation under
21 17 chapter 433, except that section 433.11 shall not
21 18 apply. The exemption for property owned by a city or
21 19 county also applies to property which is operated by a
21 20 city or county as a library, art gallery or museum,
21 21 conservatory, botanical garden or display, observatory
21 22 or science museum, or as a location for holding
21 23 athletic contests, sports or entertainment events,
21 24 expositions, meetings or conventions, or leased from
21 25 the city or county for any such purposes, or leased
21 26 from the city or county by the Iowa national guard or
21 27 by a federal agency for the benefit of the Iowa
21 28 national guard when devoted for public use and not for
21 29 pecuniary profit. Food and beverages may be served at
21 30 the events or locations without affecting the
21 31 exemptions, provided the city has approved the serving
21 32 of food and beverages on the property if the property
21 33 is owned by the city or the county has approved the
21 34 serving of food and beverages on the property if the
21 35 property is owned by the county. The exemption for
21 36 property owned by a city or county also applies to
21 37 property which is located at an airport and leased to
21 38 a fixed base operator providing aeronautical services
21 39 to the public.

21 40 Sec. 54. Section 427.1, subsection 21A, Code
21 41 Supplement 2005, is amended to read as follows:
21 42 21A. DWELLING UNIT PROPERTY OWNED BY NONPROFIT
21 43 ORGANIZATIONS. Dwelling unit property owned and
21 44 managed by a nonprofit organization if the nonprofit
21 45 organization owns and manages more than forty dwelling
21 46 units that are located in a city with a population of

21 47 more than one hundred ten thousand which has a public
21 48 housing authority that does not own or manage housing
21 49 stock for the purpose of low-rent housing. For the
21 50 2005 and 2006 assessment years, an application is not
22 1 required to be filed to receive the exemption. For
22 2 the 2007 and subsequent assessment years, an
22 3 application for exemption must be filed with the
22 4 assessing authority not later than February 1 of the
22 5 assessment year for which the exemption is sought.
22 6 Upon the filing and allowance of the claim, the claim
22 7 shall be allowed on the property for successive years
22 8 without further filing as long as the property
22 9 continues to qualify for the exemption.

22 10 Sec. 55. Section 427A.1, Code 2005, is amended by
22 11 adding the following new subsection:
22 12 NEW SUBSECTION. 5A. Notwithstanding the other
22 13 provisions of this section, property that is equipment
22 14 used for the washing, waxing, drying, or vacuuming of
22 15 motor vehicles and point-of-sale equipment necessary
22 16 for the purchase of car wash services shall not be
22 17 assessed and taxed as real property.

22 18 Sec. 56. Section 432.12C, Code 2005, is amended to
22 19 read as follows:

22 20 432.12C INVESTMENT TAX CREDITS.

22 21 1. The tax imposed under this chapter shall be
22 22 reduced by an investment tax credit authorized
22 23 pursuant to section 15E.43 for an investment in a
22 24 qualifying business or a community-based seed capital
22 25 fund.

22 26 2. The taxes imposed under this division shall be
22 27 reduced by investment tax credits authorized pursuant
22 28 to sections 15.333A and 15E.193B, subsection 6.

22 29 Sec. 57. NEW SECTION. 432.12H TAX CREDIT FOR
22 30 CERTAIN SALES TAXES PAID BY THIRD-PARTY DEVELOPERS.

22 31 The taxes imposed under this chapter shall be
22 32 reduced by a tax credit authorized pursuant to section
22 33 15.331C for certain sales taxes paid by a third-party
22 34 developer.

22 35 Sec. 58. NEW SECTION. 432.12I IOWA FUND OF FUNDS
22 36 TAX CREDIT.

22 37 The taxes imposed under this chapter shall be
22 38 reduced by a tax credit authorized pursuant to section
22 39 15E.66, if redeemed, for investments in the Iowa fund
22 40 of funds.

22 41 Sec. 59. Section 441.38, subsection 2, Code
22 42 Supplement 2005, is amended to read as follows:

22 43 2. Notice If the appeal to district court is taken
22 44 from the action of the local board of review, notice
22 45 of appeal shall be served as an original notice on the
22 46 chairperson, presiding officer, or clerk of the board
22 47 of review within twenty days after its adjournment or
22 48 May 31, whichever is later, and after the filing of
22 49 notice under subsection 1 with the clerk of district
22 50 court. If the appeal to district court is taken from

23 1 the action of the property assessment appeal board,
23 2 notice of appeal shall be served as an original notice
23 3 on the secretary of the property assessment appeal
23 4 board, if applicable after the filing of notice under
23 5 subsection 1 with the clerk of district court.

23 6 Sec. 60. Section 533.24, Code Supplement 2005, is
23 7 amended by adding the following new subsections:
23 8 NEW SUBSECTION. 8. The moneys and credits tax
23 9 imposed under this section shall be reduced by an
23 10 investment tax credit authorized pursuant to section
23 11 15.333.

23 12 NEW SUBSECTION. 9. The moneys and credits tax
23 13 imposed under this section shall be reduced by a tax
23 14 credit authorized pursuant to section 15.331C for
23 15 certain sales taxes paid by a third-party developer.

23 16 NEW SUBSECTION. 10. The moneys and credits tax
23 17 imposed under this section shall be reduced by a tax
23 18 credit authorized pursuant to section 15E.66, if
23 19 redeemed, for investments in the Iowa fund of funds.

23 20 Sec. 61. 2005 Iowa Acts, chapter 140, section 72,
23 21 is amended to read as follows:

23 22 SEC. 72. REFUNDS. Refunds of taxes, interest, or
23 23 penalties which arise from claims resulting from the
23 24 amendment to section 423.3, subsection 5, in this
23 25 division of this Act, for the sale of agricultural
23 26 drain tile materials occurring between January 1,
23 27 1998, and the effective date of the section amending

23 28 section 423.3, subsection 5, in this division of this
23 29 Act, shall be limited to ~~twenty-five~~ fifty thousand
23 30 dollars in the aggregate and shall not be allowed
23 31 unless refund claims are filed prior to October 1,
23 32 2005, notwithstanding any other provision of law. If
23 33 the amount of claims totals more than ~~twenty-five~~
23 34 ~~fifty~~ thousand dollars in the aggregate, the
23 35 department of revenue shall prorate the ~~twenty-five~~
23 36 ~~fifty~~ thousand dollars among all claimants in relation
23 37 to the amounts of the claimants' valid claims.

23 38 Sec. 62. 2005 Iowa Acts, chapter 179, section 100,
23 39 is amended to read as follows:

23 40 SEC. 100. COUNTY REAL ESTATE ELECTRONIC GOVERNMENT
23 41 ADVISORY COMMITTEE.

23 42 1. A county real estate electronic government
23 43 advisory committee is created. ~~Staffing services for~~
23 44 ~~the advisory committee shall be provided by the~~

23 45 ~~auditor of state.~~ The advisory committee membership
23 46 shall consist of the following:

23 47 a. Two members selected by the Iowa state
23 48 association of county auditors.

23 49 b. Two members selected by the Iowa state county
23 50 treasurers association.

24 1 c. Two members selected by the Iowa county
24 2 recorders association.

24 3 d. Two members selected by the Iowa state
24 4 association of assessors.

24 5 e. One member selected by each of the following
24 6 organizations:

24 7 (1) Iowa state association of counties.

24 8 (2) Iowa land title association.

24 9 (3) Iowa bankers association.

24 10 (4) Iowa credit union league.

24 11 (5) Iowa state bar association.

24 12 (6) Iowa association of realtors.

24 13 2. The county real estate electronic government
24 14 advisory committee shall facilitate discussion to
24 15 integrate the county land record information system
24 16 ~~created pursuant to section 331.605C~~ with the
24 17 electronic government internet applications of county
24 18 treasurers, county recorders, county auditors, and
24 19 county assessors. The advisory committee shall file
24 20 an updated integration plan with the governor and the
24 21 general assembly on or before November 1, ~~2005~~ 2006.

24 22 Sec. 63. 2005 Iowa Acts, chapter 179, section 101,
24 23 subsection 3, is repealed.

24 24 Sec. 64. EFFECTIVE AND APPLICABILITY DATES.

24 25 1. The sections of this division of this Act
24 26 amending sections 368.7 and 368.11, being deemed of
24 27 immediate importance, take effect upon enactment and
24 28 apply to annexation applications submitted to a city
24 29 council and petitions for involuntary annexation filed
24 30 with the city development board on or after the date
24 31 of enactment.

24 32 2. The section of this division of this Act
24 33 amending section 425.11, being deemed of immediate
24 34 importance, takes effect upon enactment and applies to
24 35 taxes due and payable in fiscal years beginning on or
24 36 after July 1, 2006.

24 37 3. The section of this division of this Act
24 38 enacting section 427A.1, subsection 5A, being deemed
24 39 of immediate importance, takes effect upon enactment
24 40 and applies retroactively to January 1, 2006, for
24 41 assessment years beginning on or after that date.

24 42 4. The section of this division of this Act
24 43 amending 2005 Iowa Acts, chapter 140, section 72,
24 44 being deemed of immediate importance, takes effect
24 45 upon enactment and applies retroactively to June 30,
24 46 2005.

24 47 DIVISION II

24 48 STREAMLINED SALES AND USE TAX UPDATES

24 49 Sec. 65. Section 423.2, subsection 8, Code
24 50 Supplement 2005, is amended by striking the subsection
25 1 and inserting in lieu thereof the following:

25 2 8. a. A tax of five percent is imposed on the
25 3 sales price from sales of bundled transactions. For
25 4 the purposes of this subsection, a "bundled
25 5 transaction" is the retail sale of two or more
25 6 distinct and identifiable products, except real
25 7 property and services to real property, which are sold
25 8 for one nonitemized price. A "bundled transaction"

25 9 does not include the sale of any products in which the
25 10 sales price varies, or is negotiable, based on the
25 11 selection by the purchaser of the products included in
25 12 the transaction.

25 13 b. "Distinct and identifiable products" does not
25 14 include any of the following:

25 15 (1) Packaging or other materials that accompany
25 16 the retail sale of the products and are incidental or
25 17 immaterial to the retail sale of the products.

25 18 (2) A product provided free of charge with the
25 19 required purchase of another product. A product is
25 20 "provided free of charge" if the sales price of the
25 21 product purchased does not vary depending on the
25 22 inclusion of the product which is provided free of
25 23 charge.

25 24 (3) Items included in the definition of "sales
25 25 price" pursuant to section 423.1.

25 26 c. "One nonitemized price" does not include a
25 27 price that is separately identified by product on
25 28 binding sales or other supporting sales-related
25 29 documentation made available to the customer in paper
25 30 or electronic form.

25 31 Sec. 66. Section 423.18, Code Supplement 2005, is
25 32 amended by striking the section and inserting in lieu
25 33 thereof the following:

25 34 423.18 MULTIPLE POINTS OF USE.

25 35 1. Notwithstanding the provisions of section
25 36 423.15, a business purchaser that is not a holder of a
25 37 direct pay permit that knows at the time of purchase
25 38 of a digital good, computer software, or a service
25 39 that the digital good, computer software, or service
25 40 will be concurrently available for use in more than
25 41 one jurisdiction shall deliver to the seller in
25 42 conjunction with its purchase an exemption certificate
25 43 claiming multiple points of use or meet the
25 44 requirements of subsection 2 or 3. For the purpose of
25 45 this section only, "computer software" includes but is
25 46 not limited to computer software delivered
25 47 electronically, by load and leave, or in tangible
25 48 form. "Computer software" does not include computer
25 49 software received in person by a business purchaser at
25 50 a business location of the seller.

26 1 a. Upon receipt of an exemption certificate
26 2 claiming multiple points of use, the seller is
26 3 relieved of all obligation to collect, pay, or remit
26 4 the applicable tax, and the purchaser shall be
26 5 obligated to collect, pay, or remit the applicable tax
26 6 on a direct pay basis.

26 7 b. A purchaser delivering an exemption certificate
26 8 claiming multiple points of use may use any
26 9 reasonable, but consistent and uniform, method of
26 10 apportionment that is supported by the purchaser's
26 11 business books and records as they exist at the time
26 12 the transaction is reported for sales or use tax
26 13 purposes.

26 14 c. A purchaser delivering an exemption certificate
26 15 claiming multiple points of use shall report and pay
26 16 the appropriate tax to each jurisdiction where
26 17 concurrent use occurs. The tax due shall be
26 18 calculated as if the apportioned amount of the digital
26 19 good, computer software, or service had been delivered
26 20 to each jurisdiction to which the sale is apportioned
26 21 pursuant to paragraph "b".

26 22 d. The exemption certificate claiming multiple
26 23 points of use shall remain in effect for all future
26 24 sales by the seller to the purchaser, except as to the
26 25 subsequent sale's specific apportionment that is
26 26 governed by the principles of paragraphs "b" and "c",
26 27 until the exemption certificate is revoked in writing.

26 28 2. Notwithstanding subsection 1, when the seller
26 29 knows that the product will be concurrently available
26 30 for use in more than one jurisdiction, but the
26 31 purchaser does not provide an exemption certificate
26 32 claiming multiple points of use as required in
26 33 subsection 1, the seller may work with the purchaser
26 34 to produce the correct apportionment. The purchaser
26 35 and seller may use any reasonable, but consistent and
26 36 uniform, method of apportionment that is supported by
26 37 the seller's and purchaser's business books and
26 38 records as they exist at the time the transaction is
26 39 reported for sales or use tax purposes. If the

26 40 purchaser certifies the accuracy of the apportionment
26 41 and the seller accepts the certification, the seller
26 42 shall collect and remit the tax pursuant to subsection
26 43 1, paragraph "c". In the absence of bad faith, the
26 44 seller is relieved of any further obligation to
26 45 collect tax on any transaction where the seller has
26 46 collected tax pursuant to the information certified by
26 47 the purchaser.

26 48 3. When the seller knows that the product will be
26 49 concurrently available for use in more than one
26 50 jurisdiction and the purchaser does not have a direct
27 1 pay permit and does not provide the seller with an
27 2 exemption certificate claiming a multiple points of
27 3 use exemption as required in subsection 1, or
27 4 certification pursuant to subsection 2, the seller
27 5 shall collect and remit the tax based on the
27 6 provisions of section 423.15.

27 7 4. A holder of a direct pay permit shall not be
27 8 required to deliver an exemption certificate claiming
27 9 multiple points of use to the seller. A direct pay
27 10 permit holder shall follow the provisions of
27 11 subsection 1, paragraphs "b" and "c", in apportioning
27 12 the tax due on a digital good, computer software, or a
27 13 service that will be concurrently available for use in
27 14 more than one jurisdiction.

27 15 5. Nothing in this section shall limit a person's
27 16 obligation for sales or use tax to this state in which
27 17 the qualifying purchases are concurrently available
27 18 for use, or limit a person's ability under local,
27 19 state, federal, or constitutional law, to claim a
27 20 credit for sales or use taxes legally due and paid to
27 21 other jurisdictions.

27 22 Sec. 67. Section 423.20, subsection 1, paragraph
27 23 j, Code 2005, is amended to read as follows:

27 24 j. "Postpaid calling service" means the
27 25 telecommunications service obtained by making a
27 26 payment on a call-by-call basis either through the use
27 27 of a credit card or payment mechanism such as a bank
27 28 card, travel card, credit card, or debit card, or by
27 29 charge made to a telephone number which is not
27 30 associated with the origination or termination of the
27 31 telecommunications service. A "postpaid calling
27 32 service" includes a telecommunications service, except
27 33 a prepaid wireless calling service, that would be a
27 34 prepaid calling service except it is not exclusively a
27 35 telecommunications service.

27 36 Sec. 68. Section 423.20, subsection 1, Code 2005,
27 37 is amended by adding the following new paragraph after
27 38 paragraph k, and relettering the remaining paragraphs:

27 39 NEW PARAGRAPH. 1. "Prepaid wireless calling
27 40 service" means a telecommunications service that
27 41 provides the right to utilize mobile wireless service
27 42 as well as other nontelecommunications services,
27 43 including the download of digital products delivered
27 44 electronically, content and ancillary services, which
27 45 must be paid for in advance and that is sold in
27 46 predetermined units or dollars of which the amount
27 47 declines with use in a known amount.

27 48 Sec. 69. Section 423.20, subsection 2, paragraph
27 49 c, subparagraphs (1) and (3), Code 2005, are amended
27 50 to read as follows:

28 1 (1) A sale of mobile telecommunications services
28 2 other than air-to-ground radiotelephone service, or
28 3 prepaid calling service, or prepaid wireless calling
28 4 service is sourced to the customer's place of primary
28 5 use as required by the federal Mobile
28 6 Telecommunications Sourcing Act.

28 7 (3) A sale of prepaid calling service or a sale of
28 8 prepaid wireless calling service is sourced in
28 9 accordance with section 423.15. However, in the case
28 10 of a sale of ~~mobile telecommunications services that~~
28 11 ~~is a prepaid telecommunications a prepaid wireless~~
28 12 ~~calling service~~, the rule provided in section 423.15,
28 13 subsection 1, paragraph "e", shall include as an
28 14 option the location associated with the mobile
28 15 telephone number.

28 16 Sec. 70. Section 423.45, subsection 4, paragraph
28 17 b, Code 2005, is amended to read as follows:

28 18 b. The sales tax liability for all sales of
28 19 tangible personal property and all sales of services
28 20 is upon the seller and the purchaser unless the seller

28 21 takes ~~in good faith~~ from the purchaser a valid
28 22 exemption certificate stating under penalty of perjury
28 23 that the purchase is for a nontaxable purpose and is
28 24 not a retail sale as defined in section 423.1, or the
28 25 seller is not obligated to collect tax due, or unless
28 26 the seller takes a fuel exemption certificate pursuant
28 27 to subsection 5. If the tangible personal property or
28 28 services are purchased tax free pursuant to a valid
28 29 exemption certificate ~~which is taken in good faith by~~
~~28 30 the seller~~, and the tangible personal property or
28 31 services are used or disposed of by the purchaser in a
28 32 nonexempt manner, the purchaser is solely liable for
28 33 the taxes and shall remit the taxes directly to the
28 34 department and sections 423.31, 423.32, 423.37,
28 35 423.38, 423.39, 423.40, 423.41, and 423.42 shall apply
28 36 to the purchaser.

28 37 Sec. 71. Section 423.45, subsection 4, paragraph
28 38 d, Code 2005, is amended by striking the paragraph and
28 39 inserting in lieu thereof the following:

28 40 d. The protection afforded a seller by paragraph
28 41 "b" does not apply to a seller who fraudulently fails
28 42 to collect tax or to a seller who solicits purchasers
28 43 to participate in the unlawful claim of an exemption.

28 44 Sec. 72. Section 423.51, subsection 2, Code 2005,
28 45 is amended to read as follows:

28 46 2. Sellers that follow the requirements of this
28 47 section are relieved from any tax otherwise applicable
28 48 if it is determined that the purchaser improperly
28 49 claimed an exemption and that the purchaser is liable
28 50 for the nonpayment of tax. This relief from liability
29 1 does not apply to a seller who ~~fraudulently does any~~
29 2 ~~of the following:~~

29 3 ~~a. Fraudulently fails to collect the tax or~~
29 4 ~~solicits tax.~~

29 5 ~~b. Solicits purchasers to participate in the~~
29 6 ~~unlawful claim of an exemption.~~

29 7 ~~c. Accepts an exemption certificate when the~~
29 8 ~~purchaser claims an entity-based exemption when the~~
29 9 ~~following conditions are met:~~

29 10 ~~(1) The subject of the transaction sought to be~~
29 11 ~~covered by the exemption certificate is actually~~
29 12 ~~received by the purchaser at a location operated by~~
29 13 ~~the seller.~~

29 14 ~~(2) The state provides an exemption certificate~~
29 15 ~~that clearly and affirmatively indicates that the~~
29 16 ~~claimed exemption is not available in the state.~~

29 17 ~~d. Accepts an exemption certificate claiming~~
29 18 ~~multiple points of use for tangible personal property~~
29 19 ~~other than computer software for which an exemption~~
29 20 ~~claiming multiple points of use is acceptable under~~
29 21 ~~section 423.18.~~

29 22 Sec. 73. Section 423.51, Code 2005, is amended by
29 23 adding the following new subsections:

29 24 NEW SUBSECTION. 3. a. A seller otherwise
29 25 obligated to collect tax from a purchaser is relieved
29 26 of that obligation if the seller obtains a fully
29 27 completed exemption certificate or secures the
29 28 relevant data elements of a fully completed exemption
29 29 certificate within ninety days after the date of sale.

29 30 b. If the seller has not obtained an exemption
29 31 certificate or all relevant data elements as provided
29 32 in paragraph "a", the seller may, within one hundred
29 33 twenty days after a request for substantiation by the
29 34 department, either prove that the transaction was not
29 35 subject to tax by other means or obtain a fully
29 36 completed exemption certificate from the purchaser,
29 37 taken in good faith.

29 38 c. Nothing in this subsection shall affect the
29 39 ability of the state to require purchasers to update
29 40 exemption certificate information or to reapply with
29 41 the state to claim certain exemptions.

29 42 d. Notwithstanding paragraphs "a", "b", and "c", a
29 43 seller is relieved of its obligation to collect tax
29 44 from a purchaser if the seller obtains a blanket
29 45 exemption certificate from the purchaser, and the
29 46 seller and purchaser have a recurring business
29 47 relationship. For the purposes of this paragraph, a
29 48 recurring business relationship exists when a period
29 49 of no more than twelve months elapses between sales
29 50 transactions. The department may not request from the
30 1 seller renewal of blanket certificates or updates of

30 2 exemption certificate information or data elements
30 3 when there is a recurring business relationship
30 4 between the purchaser and seller.
30 5 NEW SUBSECTION. 4. All relief that this section
30 6 provides to sellers is also provided to certified
30 7 service providers under this chapter.
30 8 Sec. 74. Section 423.52, Code 2005, is amended to
30 9 read as follows:
30 10 423.52 RELIEF FROM LIABILITY FOR SELLERS AND
30 11 CERTIFIED SERVICE PROVIDERS.
30 12 1. Sellers and certified service providers using
30 13 databases derived from zip codes or state or vendor
30 14 provided address-based databases are relieved from
30 15 liability to this state or its local taxing
30 16 jurisdictions for having charged and collected the
30 17 incorrect amount of sales or use tax resulting from
30 18 the seller or certified service provider relying on
30 19 erroneous data provided by this state on tax rates,
30 20 boundaries, or taxing jurisdiction assignments. If
30 21 this state provides an address-based system for
30 22 assigning taxing jurisdictions ~~whether or not pursuant~~
30 23 ~~to the federal Mobile Telecommunications Sourcing Act,~~
30 24 the director is not required to provide liability
30 25 relief for errors resulting from reliance on the
30 26 information provided by this state if the director has
30 27 given adequate notice, as determined by the governing
30 28 board, to affected parties of the decision to end this
30 29 relief.
30 30 2. a. Model 2 sellers and certified service
30 31 providers are relieved of liability to Iowa for any
30 32 failure to charge and collect the correct amount of
30 33 sales or use tax if this failure results from the
30 34 model 2 seller's or the certified service provider's
30 35 reliance upon this state's certification to the
30 36 governing board that Iowa has accepted the governing
30 37 board's certification of a piece of software as a
30 38 certified automated system. The relief provided by
30 39 this paragraph to a model 2 seller or certified
30 40 service provider does not extend to a seller or
30 41 provider who has incorrectly classified an item or
30 42 transaction into the product-based exemptions portion
30 43 of a certified automated system. However, any model 2
30 44 seller or certified service provider who has relied
30 45 upon an individual listing of items or transactions
30 46 within a product definition approved by the governing
30 47 board or Iowa may claim the relief allowed by this
30 48 paragraph.
30 49 b. If the department determines that an item or
30 50 transaction is incorrectly classified as to its
31 1 taxability, the department shall notify the model 2
31 2 seller or certified service provider of the incorrect
31 3 classification. The model 2 seller or certified
31 4 service provider shall have ten days to revise the
31 5 classification after receipt of notice of the
31 6 determination. Upon expiration of the ten days, the
31 7 model 2 seller or certified service provider shall be
31 8 liable for the failure to collect the correct amount
31 9 of sales or use taxes due and owing to the member
31 10 state.
31 11 Sec. 75. EFFECTIVE DATES.
31 12 1. Except as provided in subsection 2, this
31 13 division of this Act takes effect January 1, 2008.
31 14 2. The sections of this division of this Act
31 15 amending section 423.45, subsection 4, being deemed of
31 16 immediate importance, take effect upon enactment.>
31 17 #2. Title page, line 4, by striking the words
31 18 <local option sales,>.
31 19
31 20
31 21
31 22 J. K. VAN FOSSEN of Scott
31 23
31 24
31 25
31 26 KURTENBACH of Story
31 27 HF 2794.503 81
31 28 mg/je/5359