

Senate File 512

S-3331

1 Amend Senate File 512 as follows:

2 1. By striking everything after the enacting clause and
3 inserting:

4 <Section 1. Section 423.2, subsection 1, unnumbered
5 paragraph 1, Code 2017, is amended to read as follows:

6 There is imposed a tax of six and three-eighths percent upon
7 the sales price of all sales of tangible personal property,
8 consisting of goods, wares, or merchandise, sold at retail in
9 the state to consumers or users except as otherwise provided
10 in [this subchapter](#).

11 Sec. 2. Section 423.2, subsections 2 and 3, Code 2017, are
12 amended to read as follows:

13 2. A tax of six and three-eighths percent is imposed upon
14 the sales price of the sale or furnishing of gas, electricity,
15 water, heat, pay television service, and communication service,
16 including the sales price from such sales by any municipal
17 corporation or joint water utility furnishing gas, electricity,
18 water, heat, pay television service, and communication service
19 to the public in its proprietary capacity, except as otherwise
20 provided in [this subchapter](#), when sold at retail in the state
21 to consumers or users.

22 3. A tax of six and three-eighths percent is imposed upon
23 the sales price of all sales of tickets or admissions to places
24 of amusement, fairs, and athletic events except those of
25 elementary and secondary educational institutions. A tax of
26 six and three-eighths percent is imposed on the sales price of
27 an entry fee or like charge imposed solely for the privilege of
28 participating in an activity at a place of amusement, fair, or
29 athletic event unless the sales price of tickets or admissions
30 charges for observing the same activity are taxable under this
31 subchapter. A tax of six and three-eighths percent is imposed
32 upon that part of private club membership fees or charges paid
33 for the privilege of participating in any athletic sports
34 provided club members.

35 Sec. 3. Section 423.2, subsection 4, paragraph a, Code 2017,

1 is amended to read as follows:

2 a. A tax of six and three-eighths percent is imposed upon
3 the sales price derived from the operation of all forms of
4 amusement devices and games of skill, games of chance, raffles,
5 and bingo games as defined in [chapter 99B](#), and card game
6 tournaments conducted under [section 99B.27](#), that are operated
7 or conducted within the state, the tax to be collected from
8 the operator in the same manner as for the collection of taxes
9 upon the sales price of tickets or admission as provided in
10 this section. Nothing in [this subsection](#) shall legalize any
11 games of skill or chance or slot-operated devices which are now
12 prohibited by law.

13 Sec. 4. Section 423.2, subsection 5, Code 2017, is amended
14 to read as follows:

15 5. There is imposed a tax of six and three-eighths percent
16 upon the sales price from the furnishing of services as defined
17 in [section 423.1](#).

18 Sec. 5. Section 423.2, subsection 7, paragraph a,
19 unnumbered paragraph 1, Code 2017, is amended to read as
20 follows:

21 A tax of six and three-eighths percent is imposed upon the
22 sales price from the sales, furnishing, or service of solid
23 waste collection and disposal service.

24 Sec. 6. Section 423.2, subsection 8, paragraph a, Code 2017,
25 is amended to read as follows:

26 a. A tax of six and three-eighths percent is imposed on
27 the sales price from sales of bundled transactions. For the
28 purposes of [this subsection](#), a “*bundled transaction*” is the
29 retail sale of two or more distinct and identifiable products,
30 except real property and services to real property, which
31 are sold for one nonitemized price. A “*bundled transaction*”
32 does not include the sale of any products in which the sales
33 price varies, or is negotiable, based on the selection by the
34 purchaser of the products included in the transaction.

35 Sec. 7. Section 423.2, subsection 9, Code 2017, is amended

1 to read as follows:

2 9. A tax of six and three-eighths percent is imposed upon
3 the sales price from any mobile telecommunications service,
4 including all paging services, that this state is allowed
5 to tax pursuant to the provisions of the federal Mobile
6 Telecommunications Sourcing Act, Pub. L. No. 106-252, 4 U.S.C.
7 §116 et seq. For purposes of [this subsection](#), taxes on mobile
8 telecommunications service, as defined under the federal Mobile
9 Telecommunications Sourcing Act that are deemed to be provided
10 by the customer's home service provider, shall be paid to
11 the taxing jurisdiction whose territorial limits encompass
12 the customer's place of primary use, regardless of where the
13 mobile telecommunications service originates, terminates,
14 or passes through and shall in all other respects be taxed
15 in conformity with the federal Mobile Telecommunications
16 Sourcing Act. All other provisions of the federal Mobile
17 Telecommunications Sourcing Act are adopted by the state of
18 Iowa and incorporated into [this subsection](#) by reference. With
19 respect to mobile telecommunications service under the federal
20 Mobile Telecommunications Sourcing Act, the director shall, if
21 requested, enter into agreements consistent with the provisions
22 of the federal Act.

23 Sec. 8. Section 423.2, subsection 11, paragraph b,
24 subparagraph (2), Code 2017, is amended to read as follows:

25 (2) Transfer from the remaining revenues the amounts
26 required under Article VII, section 10, of the Constitution
27 of the State of Iowa to the natural resources and outdoor
28 recreation trust fund created in [section 461.31](#), ~~if applicable~~.

29 Sec. 9. Section 423.2, subsection 14, Code 2017, is amended
30 to read as follows:

31 14. The sales tax rate of six and three-eighths percent is
32 reduced to five and three-eighths percent on January 1, 2030.

33 Sec. 10. Section 423.5, subsection 1, unnumbered paragraph
34 1, Code 2017, is amended to read as follows:

35 Except as provided in paragraph "c", an excise tax at the

1 rate of six and three-eighths percent of the purchase price or
2 installed purchase price is imposed on the following:

3 Sec. 11. Section 423.5, subsection 5, Code 2017, is amended
4 to read as follows:

5 5. The use tax rate of six and three-eighths percent is
6 reduced to five and three-eighths percent on January 1, 2030.

7 Sec. 12. Section 423.43, subsection 1, paragraph b, Code
8 2017, is amended to read as follows:

9 b. Subsequent to the deposit into the general fund of the
10 state ~~and after the transfer of such~~ pursuant to paragraph "a",
11 the department shall do the following in the order prescribed:

12 (1) Transfer the revenues collected under chapter 423B, ~~the~~
13 ~~department shall transfer one-sixth.~~

14 (2) Transfer fifteen and six thousand eight hundred
15 sixty-three ten-thousandths percent of such remaining revenues
16 to the secure an advanced vision for education fund created in
17 section 423F.2. This ~~paragraph~~ subparagraph (2) is repealed
18 December 31, 2029.

19 Sec. 13. PURPOSE. The purpose of this Act is to provide
20 for the implementation of Article VII, section 10, of the
21 Constitution of the State of Iowa by fully funding the natural
22 resources and outdoor recreation trust fund as created in
23 section 461.31, pursuant to Article VII, section 10, of the
24 Constitution of the State of Iowa.

25 Sec. 14. EFFECTIVE DATE. This Act takes effect on July 1,
26 2018.>

27 2. Title page, by striking lines 1 through 4 and inserting
28 <An Act relating to revenue and taxation by increasing the
29 sales and use tax rates, establishing transfers to the natural
30 resources and outdoor recreation trust fund, and including
31 effective date provisions.>

DAVID JOHNSON