

Senate File 2417

S-5314

1 Amend the amendment, S-5302, to Senate File 2417 as follows:

2 1. Page 82, after line 16 by inserting:

3 <Sec. _____. Section 423.2, subsection 1, unnumbered
4 paragraph 1, Code 2018, is amended to read as follows:

5 There is imposed a tax of six and one-half percent upon
6 the sales price of all sales of tangible personal property,
7 consisting of goods, wares, or merchandise, sold at retail in
8 the state to consumers or users except as otherwise provided in
9 this subchapter.>

10 2. Page 82, after line 20 by inserting:

11 <Sec. _____. Section 423.2, subsections 2 and 3, Code 2018,
12 are amended to read as follows:

13 2. A tax of six and one-half percent is imposed upon the
14 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 one-half percent is imposed upon the
23 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 one-half percent is imposed on the sales price of an
27 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 one-half percent is imposed upon
32 that part of private club membership fees or charges paid for
33 the privilege of participating in any athletic sports provided
34 club members.

35 Sec. _____. Section 423.2, subsection 4, paragraph a, Code

1 2018, is amended to read as follows:

2 a. A tax of six and one-half 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. _____. Section 423.2, subsection 5, Code 2018, is amended
14 to read as follows:

15 5. There is imposed a tax of six and one-half percent upon
16 the sales price from the furnishing of services as defined in
17 section 423.1.>

18 3. Page 86, after line 4 by inserting:

19 <Sec. _____. Section 423.2, subsection 7, paragraph a,
20 unnumbered paragraph 1, Code 2018, is amended to read as
21 follows:

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

25 Sec. _____. Section 423.2, subsection 8, paragraph a, Code
26 2018, is amended to read as follows:

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

1 4. Page 87, after line 9 by inserting:

2 <Sec. _____. Section 423.2, subsection 9, Code 2018, is
3 amended to read as follows:

4 9. A tax of six and one-half percent is imposed upon
5 the sales price from any mobile telecommunications service,
6 including all paging services, that this state is allowed
7 to tax pursuant to the provisions of the federal Mobile
8 Telecommunications Sourcing Act, Pub. L. No. 106-252, 4 U.S.C.
9 §1116 et seq. For purposes of [this subsection](#), taxes on mobile
10 telecommunications service, as defined under the federal Mobile
11 Telecommunications Sourcing Act that are deemed to be provided
12 by the customer's home service provider, shall be paid to
13 the taxing jurisdiction whose territorial limits encompass
14 the customer's place of primary use, regardless of where the
15 mobile telecommunications service originates, terminates,
16 or passes through and shall in all other respects be taxed
17 in conformity with the federal Mobile Telecommunications
18 Sourcing Act. All other provisions of the federal Mobile
19 Telecommunications Sourcing Act are adopted by the state of
20 Iowa and incorporated into [this subsection](#) by reference. With
21 respect to mobile telecommunications service under the federal
22 Mobile Telecommunications Sourcing Act, the director shall, if
23 requested, enter into agreements consistent with the provisions
24 of the federal Act.>

25 5. Page 87, line 12, after <six> by inserting <and one-half>

26 6. Page 87, after line 27 by inserting:

27 <Sec. _____. Section 423.2, subsection 14, Code 2018, is
28 amended to read as follows:

29 14. The sales tax rate of six and one-half percent is
30 reduced to five and one-half percent on January 1, 2030.>

31 7. Page 88, line 18, by striking <461.31, if applicable> and
32 inserting <461.31>

33 8. Page 88, after line 18 by inserting:

34 <0c. Transfer two and four hundred eight ten-thousandths
35 percent of the remaining revenues to the mental health and

1 disability services sales tax supplement fund created in
2 section 423H.2.>

3 9. Page 98, after line 28 by inserting:

4 <Sec. _____. Section 423.5, subsection 1, unnumbered
5 paragraph 1, Code 2018, is amended to read as follows:

6 Except as provided in paragraph "c", an excise tax at the
7 rate of six and one-half percent of the purchase price or
8 installed purchase price is imposed on the following:>

9 10. Page 100, after line 4 by inserting:

10 <Sec. _____. Section 423.5, subsection 5, Code 2018, is
11 amended to read as follows:

12 5. The use tax rate of six and one-half percent is reduced
13 to five and one-half percent on January 1, 2030.>

14 11. Page 121, after line 27 by inserting:

15 <Sec. _____. Section 423.43, subsection 1, paragraph b, Code
16 2018, is amended to read as follows:

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

20 (1) Transfer the revenues collected under [chapter 423B](#), the
21 department shall transfer one-sixth.

22 (2) Transfer fifteen and three thousand eight hundred
23 forty-six ten-thousandths percent of such remaining revenues
24 to the secure an advanced vision for education fund created in
25 section 423F.2. This ~~paragraph~~ subparagraph (2) is repealed
26 December 31, 2029.

27 (3) Transfer six and eight thousand eight hundred
28 eighty-one ten-thousandths percent of the remaining revenues to
29 the natural resources and outdoor recreation trust fund created
30 in section 461.31.

31 (4) Transfer two and four thousand three hundred ninety
32 ten-thousandths percent of the remaining revenues to the mental
33 health and disability services sales tax supplement fund
34 created in section 423H.2

35 12. Page 125, after line 5 by inserting:

1 <Sec. _____. NEW SECTION. 423H.1 Mental health and disability
2 services sales tax supplement — intent.

3 It is the intent of the general assembly that approximately
4 twenty-five percent of the increase in the state sales,
5 services, and use taxes under chapter 423, subchapters II and
6 III, from six percent to six and one-half percent on January 1,
7 2019, shall be used solely for purposes of providing revenues
8 to counties for the payment of mental health and disability
9 services provided under the regional service system.

10 Sec. _____. NEW SECTION. 423H.2 Fund — remittances to
11 counties.

12 1. A mental health and disability services sales tax
13 supplement fund is created as a separate and distinct fund
14 in the state treasury under the control of the department of
15 revenue. Moneys in the fund include revenues credited to the
16 fund pursuant to this chapter, appropriations made to the fund,
17 and other moneys deposited in the fund. Any amounts disbursed
18 from the fund shall be deposited in each county's mental health
19 and disabilities services fund under section 331.424A and
20 utilized by counties to provide mental health and disability
21 services and expand core services that are in addition to
22 the mental health and disability services required under the
23 county's regional service system management plan approved
24 pursuant to section 331.393.

25 2. The moneys available in a fiscal year in the mental
26 health and disability services sales tax supplement fund shall
27 be distributed by the department of revenue to each county
28 beginning on or after January 1, 2019, in the proportion that
29 the county's population bears to the total population. For
30 purposes of this subsection, "population" means the same as
31 defined in section 331.424A, subsection 1.

32 3. a. The director of revenue by August 15 of each fiscal
33 year shall send to each county an estimate of the amount of
34 tax moneys each county will receive for the year, and for each
35 month of the year. At the end of each month, the director may

1 revise the estimates for the year and remaining months.

2 *b.* The director shall remit ninety-five percent of the
3 estimated tax receipts for the county to the county on or
4 before August 31 of the fiscal year and on or before the last
5 day of each following month.

6 *c.* The director shall remit a final payment of the remainder
7 of tax moneys due for the fiscal year before November 10 of the
8 next fiscal year. If an overpayment has resulted during the
9 previous fiscal year, the November payment shall be adjusted to
10 reflect any overpayment.>

11 13. By renumbering as necessary.

DAVID JOHNSON