

**Fiscal Services Division**  
**Legislative Services Agency**  
**Fiscal Note**

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HF 310 - Toys for Tots Sales Tax Exemption (LSB 1508 HV)  
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Fiscal Note Version - New  
Requested by Representative Jeff Kaufmann

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**Description**

House File 310 provides a sales tax exemption for nonprofit, federally tax exempt organizations when the organization purchases toys for distribution to children free of charge.

**Assumptions**

1. Assume all qualified organizations purchase less than \$1.0 million in taxable toys each year.
2. The State sales tax rate is 5.0%.
3. Statewide, local option sales tax revenue equals 22.0% of the State sales tax revenue amount.

**Fiscal Impact**

House File 310 would reduce net General Fund revenue by less than \$50,000 per year and local government sales tax revenue by less than \$11,000 per year.

**Source**

Legislative Services Agency

/s/ Holly M. Lyons

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February 17, 2005

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

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