

Senate File 2330 - Enrolled

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SENATE FILE 2330

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AN ACT
PROHIBITING MONITOR VENDING MACHINES AND PROVIDING AN EXCISE
TAX AND AN EFFECTIVE DATE.
BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
Section 1. Section 99G.3, subsection 7, Code 2005, is
amended to read as follows:
7. "Lottery", "lotteries", "lottery game", "lottery games"
or "lottery products" means any game of chance approved by the
board and operated pursuant to this chapter and games using
mechanical or electronic devices, provided that the authority
shall not authorize a monitor vending machine or a player-
activated gaming machine that utilizes an internal randomizer
to determine winning and nonwinning plays and that upon random
internal selection of a winning play dispenses coins,
currency, or a ticket, credit, or token to the player that is
redeemable for cash or a prize, and excluding gambling or
gaming conducted pursuant to chapter 99B, 99D, or 99F.
Sec. 2. Section 99G.3, Code 2005, is amended by adding the
following new subsection:
NEW SUBSECTION. 8A. "Monitor vending machine" means a
machine or other similar electronic device that includes a
video monitor and audio capabilities that dispenses to a
purchaser lottery tickets that have been determined to be
winning or losing tickets by a predetermined pool drawing
machine prior to the dispensing of the tickets.
Sec. 3. NEW SECTION. 99G.30A MONITOR VENDING MACHINE ==
TAX IMPOSED.
1. If revenues are generated from monitor vending machines
on or after forty-five days following the effective date of
this Act, then there shall be a monitor vending machine excise
tax imposed on net monitor vending machine revenue receipts at
the rate of sixty-five percent.
2. a. The director of revenue shall administer the
monitor vending machine excise tax as nearly as possible in
conjunction with the administration of state sales tax laws.
The director shall provide appropriate forms or provide
appropriate entries on the regular state tax forms for
reporting local sales and services tax liability.
b. All powers and requirements of the director to
administer the state sales and use tax law are applicable to
the administration of the monitor vending machine excise tax,
including but not limited to the provisions of section 422.25,
subsection 4, sections 422.30, 422.67, and 422.68, section
422.69, subsection 1, sections 422.70 to 422.75, section
423.14, subsection 1 and subsection 2, paragraphs "b" through
"e", and sections 423.15, 423.23, 423.24, 423.25, 423.31 to
423.35, 423.37 to 423.42, 423.46, and 423.47.
c. Frequency of deposits and quarterly reports of the
monitor vending machine excise tax with the department of
revenue are governed by the tax provisions in section 423.31.
Monitor vending machine excise tax collections shall not be
included in computation of the total tax to determine
frequency of filing under section 423.31.
3. For purposes of this section, "net monitor vending
machine revenue receipts" means the gross receipts received
from monitor vending machines less prizes awarded.
Sec. 4. TRANSITION PROVISIONS == MONITOR VENDING MACHINES.
Notwithstanding any provision of section 99G.3, as amended by
this Act, to the contrary, a retailer that has acquired a
monitor vending machine prior to the effective date of this
Act shall be allowed to offer the machine to the public for
only forty-five days following the effective date of this Act.
On or after forty-five days following the effective date of
this Act, a retailer shall not make a monitor vending machine
available to the public.
Sec. 5. EFFECTIVE DATE. This Act, being deemed of
immediate importance, takes effect upon enactment.

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JOHN P. KIBBIE
President of the Senate

CHRISTOPHER C. RANTS
Speaker of the House

I hereby certify that this bill originated in the Senate and
is known as Senate File 2330, Eighty-first General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved _____, 2006

THOMAS J. VILSACK
Governor