

April 30, 1965.
Place on Calendar.

House File 668
By WAYS AND MEANS COMMITTEE.

Passed House, Date 5/25 Passed Senate, Date 6/3
Vote: Ayes 63 Nays 53 Vote: Ayes 47 Nays 10

Approved.....

motion to strike enacting clause lost

5/25 (31-9) **A BILL FOR**

special order of business 5/25, 7:30 pm

An Act relating to sales tax.

motion to reconsider tabled 5/25

Be It Enacted by the General Assembly of the State of Iowa:

passed house 6/3 (86-20) amended 6/3

- 1 Section 1. Subsection three (3) of section four hundred
- 2 twenty-two point forty-two (422.42), Code 1962, is hereby
- 3 amended by inserting in line six (6) after the word "users,"
- 4 the words "the furnishing of lodging and related services to
- 5 transients in or by a hotel, rooming house, tourist court, motel,
- 6 or trailer camp, and the granting of any similar license to use
- 7 real property, as distinguished from the renting or leasing of
- 8 real property, and it shall be presumed that the occupancy of
- 9 real property for a continuous period of one (1) month or more
- 10 constitutes a rental or lease of property and not a mere license
- 11 to use and enjoy the same, the services rendered or performed by
- 12 barber shops, beauty shops, beauty parlors, cleaning, dyeing,
- 13 pressing shops, linen, coat, apron, uniform, and overall supply
- 14 service, and laundries, except hand laundries in a private home".

- 1 Sec. 2. Subsection five (5) of section four hundred twenty-
- 2 two point forty-two (422.42), Code 1962, is hereby amended by
- 3 inserting in line five (5) after the word "service," the follow-
- 4 ing words "the furnishing of lodging and relating services to
- 5 transients, the services rendered or performed by barber shops,
- 6 beauty shops, beauty parlors, cleaning, dyeing and pressing
- 7 shops, linen, coat, apron, uniform, and overall service, and

passed on file 5/26

reconsidered pass 5/27

passed senate as amended 6/3

amended 6/4 (42-10)

motion to reconsider filed 6/3

amendment prevailed 6/3

passed house 4/3 (95-14)

8 laundries, except hand laundries in the home”.

1 Sec. 3. Subsection twelve (12) of section four hundred twenty-
2 two point forty-two (422.42), Code 1962, is hereby amended by
3 inserting in line five (5) after the word “conducted” the follow-
4 ing words “or where taxable service is furnished, rendered or
5 provided”.

1 Sec. 4. Section four hundred twenty-two point forty-three
2 (422.43), Code 1962, is hereby amended by striking the period
3 (.) at the end of line twenty-one (21), and inserting the follow-
4 ing words “; and a like rate of tax upon the gross receipts from
5 the furnishing of lodging and related services to transients, the
6 services rendered or performed by barber shops, beauty shops,
7 beauty parlors, cleaning and dyeing and pressing shops, linen,
8 coat, apron, uniform, and overall service, and laundries, except
9 hand laundries in the home.”

EXPLANATION OF HOUSE FILE 668

An act to broaden the state's tax base to certain specific services, including hotels and motels, barber and beauty, and cleaning and pressing.

HOUSE FILE 668

- 1 Amend House File 668 as follows:
2 1. Amend section one (1) by inserting after the word
3 "home" in line fourteen (14) the following:
4 " , the sales of service furnished, rendered or pro-
5 vided to a retail consumer or user by any person in the
6 business of washing, greasing, parking and storage of
7 motor vehicles and trailers, and the sales of service
8 furnished, rendered or provided in the repairing of
9 tangible personal property except that the service of
10 repairing real estate assessed as tangible personal
11 property as referred to in section four hundred twenty-
12 eight point four (428.4) of the Code shall be exempt".
13 2. Amend section two (2) by inserting after the
14 word "home" in line eight (8) the following:
15 " , the service furnished, rendered or provided by
16 the business of washing, greasing, parking and storage
17 of motor vehicles and trailers and the business of re-
18 pairing tangible personal property".
19 3. Amend section four (4) by inserting after the
20 word "home" in line nine (9) the following:
21 " , and the gross receipts of the service furnished,
22 rendered, or performed by the business of washing,
23 greasing, parking, and storage of motor vehicles and
24 trailers, and the gross receipts of the services
25 furnished, rendered, or performed by the business of
26 repairing tangible personal property".
27 4. Further amend by adding a new section after
28 section four (4) to read as follows:
29 "This Act being deemed of immediate importance
30 shall be in force and effect starting July 1, 1965,
31 and thereafter."

Filed
May 19, 1965.

Adopted 5/25
5/25 motion to reconsider prevailed

GILLETTE of Clay-Dickinson.
LOSS of Kossuth.
MILLER of Des Moines.
MAULE of Monona.

1 Amend House File 668 by adding the following new section:
2 Sec. 5. Section four hundred twenty-two point fifty-
3 two (422.52), Code 1962, is hereby amended by adding the following
4 new subsection:
5 "When a return is filed and the taxes shown due thereon are
6 paid in full on or before the due date as prescribed in section
7 four hundred twenty-two point fifty-one (422.51) of the Code,
8 the retailer shall be allowed a credit or discount equal to
9 three (3) percent of the sales taxes shown due by such return.
10 This discount shall be allowed the retailer for prompt payment
11 of the tax and as partial remuneration for collecting the tax,
12 keeping the records and promptly filing the returns required
13 by this chapter."

Filed
May 6, 1965.

Withdrawn 5/6

REICHARDT of Polk.

HOUSE FILE 668

1 Amend House File 668 as follows:
2 1. Amend section one (1), line nine (9), by striking the
3 words and figure "one (1) month" and inserting in lieu } *lost 5/25*
4 thereof "twenty-eight (28) days".
5 2. Amend section one (1), line eleven (11), by striking
6 the "comma (,)" and all the rest of said section and inserting
7 in lieu thereof a "period (.)". } *withdrawn 5/25*
8 3. Amend section two (2), line five (5), by striking the
9 first "comma (,)" and all the rest of said section and inserting
10 in lieu thereof a "period (.)".
11 4. Amend section four (4), line five (5), by striking the
12 "comma (,)" and all the rest of said section and inserting in
13 lieu thereof a "period (.)".

Filed
May 10, 1965.

REDFERN of Lee.

HOUSE FILE 668

1 Amend House File 668 as follows:
2 1. By striking all of line five (5) of section one (1) after
3 the word "hotel," and inserting in lieu thereof the word "motel,"
4 2. By striking the words "or trailer camp," from line six (6)
5 of section one (1).
6 3. By striking the remainder of section one (1) after the
7 word "same," in line eleven (11).
8 4. By striking all of section two (2) after the word tran-
9 sients," in line five (5) and inserting in lieu thereof the words } *lost 5/25 (53-63)*
10 and figure "as set forth in section one (1) of this Act".
11 5. By striking all of section four (4) after the word "tran-
12 sients," in line five (5) and inserting in lieu thereof the words
13 and figure "as set forth in section one (1) of this Act".

Filed
May 24, 1965.

*lost 5/25 (46-64) motion to reconsider filed 5/25
action prevailed BRINCK of Lee. 5/25 (63-53)
deferred 5/25*

HOUSE FILE 668

1 Amend House File 668 by adding a new section as follows:
2 "Sec. 5. For every remittance to the tax commission made on
3 or before the date the remittance becomes due, the employer,
4 other than the United States and its agencies, the State of
5 Iowa and political subdivisions thereof, may deduct and retain
6 the following percentages of the total amount of tax withheld
7 and paid annually:
8 1. Two percent of five thousand dollars or less;
9 2. One percent of amount collected in excess of five thou-
10 sand dollars and up to and including ten thousand dollars;
11 3. One-half percent of amount collected in excess of ten
12 thousand dollars."
13 Further amend said House File by adding at the end of the
14 title the words "and to provide compensation for depositing
15 such sales tax receipts".

Filed
May 25, 1965.

lost 5/25 (50 58)

REICHARDT of Polk.

HOUSE FILE 668

1 Amend the Senate amendment to House File 668, adopted by the
2 Senate June 3, 1965, by striking from line six (6) the following:
3 "beginning July 1, 1965,".

Filed and adopted
June 3, 1965.

Senate concurred 6/1

HOUSE FILE 668

1 Amend the Senate amendment to House File 668, adopted by the
2 Senate June 3, 1965, by striking everything after the period in
3 line seventeen (17) to and including the word "space." in line
4 twenty-one (21).

Filed and adopted
June 3, 1965.

Senate concurred 6/1

RASMUSSEN of Polk.

HOUSE FILE 668

1 Amend House File 668 by striking all after the enacting
2 clause and inserting in lieu thereof the following:
3 "Section 1. Section four hundred twenty-two point forty-
4 three (422.43), Code 1962, is hereby amended by inserting the
5 following new paragraph after the third (3rd) paragraph there-
6 of:
7 "There is hereby imposed, beginning July 1, 1965, a like
8 rate of tax upon the gross receipts from the renting of any
9 and all rooms, apartments, or sleeping quarters in any hotel,
10 motel, inn, public lodging house, rooming house, or tourist
11 court, or in any place where sleeping accommodations are fur-
12 nished to transient guests for rent, whether with or without
13 meals. 'Renting' and 'rent' include any kind of direct or
14 indirect charge for such rooms, apartments, sleeping quarters,
15 or the use thereof. For the purposes of this division, such
16 renting is regarded as a sale of tangible personal property
17 at retail. However, such tax shall not apply to the gross
18 receipts from the renting of a room, apartment, or sleeping
19 quarters while rented by the same person for a period of more
20 than thirty-one (31) consecutive days. Such tax shall not
21 apply to the gross receipts from the renting of accommodations
22 which are neither rented for, equipped as, nor used as
23 sleeping quarters and which are used only for other purposes
24 such as a ballroom, banquet room, reception room, meeting
25 room, or office space."

Filed and adopted
June 3, 1965.

By BURKE and STANLEY.

HOUSE FILE 668

1 Amend the Burke and Stanley amendment to House File 668,
2 filed June 3, 1965, by inserting the following at the end
3 thereof: "House File 668 is further amended by adding the
4 following new sections:
5 "Sec. 2. There is hereby imposed beginning July 1, 1965,
6 a tax of one (1) percent upon the gross receipts from all
7 sales of tangible personal property as provided in chapter four
8 hundred twenty-two (422) of the Code, including any services
9 taxable under chapter four hundred twenty-two (422) of the
10 Code, which tax shall be in addition to the taxes imposed
11 by said chapter. Collection of the tax imposed by this section
12 shall be in the same manner as provided in said chapter four
13 hundred twenty-two (422).
14 "Sec. 3. There is hereby imposed beginning July 1, 1965,
15 an excise tax one one (1) percent upon the use in this state
16 of tangible personal property as provided in chapter four
17 hundred twenty-three (423) of the Code, which tax shall be in
18 addition to the tax imposed by said chapter. Collection of
19 the tax imposed by this section shall be in the same manner
20 as provided in said chapter four hundred twenty-three (423).
21 "Sec. 4. The net revenue collected under the sales tax
22 provisions of section two (2) of this Act, and the net
23 revenues collected under the use tax provisions of section
24 three (3) of this Act, less the amount of said use tax committed
25 to the road use tax fund as provided in chapter three hundred
26 twelve (312) of the Code, shall be committed and credited
27 quarterly after July 1, 1965, as funds become available, to
28 the school property tax replacement fund, which fund is hereby
29 created in the office of the treasurer of the state for the
30 purpose of this Act.
31 "Sec. 5. Quarterly after July 1, 1965, the state comptroller
32 shall made distributions from this fund in the same manner as
33 general school aid provided in chapter two hundred eighty-six A
34 (286A) of the Code, and in addition to other funds distributable
35 under the provisions of said chapter. This section shall
36 expire on June 30, 1967.
37 "Sec. 6. The state comptroller shall by June 15 furnish
38 to the state department of public instruction estimates of
39 revenues to be available for distribution from this fund for
40 the following fiscal year. By June 30 the department of
41 public instruction shall notify each school district of the
42 estimate of funds to which it will be entitled during the
43 following fiscal year.
44 "Sec. 7. This Act, being of immediate importance, shall
45 be in full force and effect from and after its publication
46 in The Lowden News, a newspaper published at Lowden, Iowa,
47 and in the Oskaloosa Daily Herald, a newspaper published at
48 Oskaloosa, Iowa."

Filed and lost (24-33)
June 3, 1965.

By VAN GILST, STANLEY and ELVERS.