

February 9, 1970
Place on Calendar

HOUSE FILE 1222

By COMMITTEE ON WAYS AND MEANS
(Committee on Ways and Means)

Passed House, Date 2-18-70 *Failed* Passed Senate, Date 3-11-70

Vote: Ayes 102 Nays 0 Vote: Ayes 27 Nays 25

Approved 3/20/70
motion to reconsider 3/11, failed, favorable 3/17
Passed Senate 3-17-70
aye 26, nays 19

A BILL FOR

- 1 An Act relating to the sales and use tax on newsprint and ink
- 2 and to exempt the sales, publishing, and printing of all
- 3 newspapers therefrom.
- 4 *Be It Enacted by the General Assembly of the State of Iowa:*
- 5 Section 1. Section four hundred twenty-two point forty-two
- 6 (422.42), Code 1966, as amended by chapter three hundred forty-
- 7 eight (348), section nineteen (19), Acts of the Sixty-second
- 8 General Assembly, and as amended by chapter one hundred ten
- 9 (110), section twelve (12), chapter two hundred forty-five
- 10 (245), section one (1), chapter two hundred forty-six (246),
- 11 sections one (1) and five (5), chapter two hundred forty-seven
- 12 (247), sections one (1) and two (2), and chapter two hundred
- 13 forty-eight (248), section eleven (11), Acts of the Sixty-third
- 14 General Assembly, First Session, is hereby further amended by
- 15 inserting after subsection three (3) the following new para-
- 16 graph:
- 17 "Notwithstanding the foregoing provisions of this subsec-
- 18 tion, the sale of newsprint and ink delivered after the effec-
- 19 tive date of this Act to any person, firm or corporation to be
- 20 incorporated in or used in the printing of any newspaper, free
- 21 newspaper or shoppers guide for publication in this state shall
- 22 be considered as a sale at retail and such person, firm or cor-
- 23 poration shall be deemed to be the consumer of such newsprint
- 24 and ink and subject to the payment of sales tax."
- 25 Sec. 2. Section four hundred twenty-two point forty-five

1 (422.45), Code 1966, as amended by chapter three hundred forty-
 2 eight (348), sections twenty-two (22) and forty-eight (48) and
 3 chapter three hundred forty-nine (349), sections one (1) and
 4 two (2), Acts of the Sixty-second General Assembly, and as
 5 amended by chapter one hundred eleven (111), section one (1),
 6 chapter one hundred fifty-two (152), section sixty-four (64),
 7 chapter two hundred forty-six (246), section two (2), Acts of
 8 the Sixty-third General Assembly, First Session, is hereby
 9 further amended by adding thereto the following new subsection:

10 "Gross receipts from the sales of newspapers, free newspapers
 11 or shoppers guides and the printing and publishing thereof."

12 Sec. 3. Section four hundred twenty-three point one (423.1),
 13 subsection one (1), Code 1966, as amended by chapter three hun-
 14 dred forty-eight (348), section thirty-three (33), Acts of the
 15 Sixty-second General Assembly, is hereby amended by adding at
 16 the end thereof the following new paragraph:

17 "Notwithstanding the foregoing provisions of this subsection,
 18 the purchase of newsprint and ink delivered after the effective
 19 date of this Act to any person, firm or corporation to be in-
 20 corporated in or used in the printing of any newspaper, free
 21 newspaper or shoppers guide for publication in this state shall
 22 be subject to the use tax imposed by this chapter."

23 Sec. 4. This Act shall be retroactive to and from January 1,
 24 1970.

25 Sec. 5. This Act being deemed of immediate importance shall
 26 be in full force and effect from and after its final approval
 27 and publication in The Des Moines Register, a newspaper pub-
 28 lished at Des Moines, Iowa, and in the Eldora Herald-Ledger, a
 29 newspaper published at Eldora, Iowa.

*Proof
of publication
4-6-70*

EXPLANATION

This bill provides that newspaper publishing businesses are consumers with regard to newsprint and ink incorporated in or used in the publication of newspapers, free newspapers or shoppers guides and are subject to the sales and tax use. This bill also exempts from the sales tax the gross receipts derived from the sales, publishing, and printing of newspapers, free newspapers and shoppers guides; such gross receipts would be exempt

from the use tax because of the provisions of subsection 5 of section 423.4 of the Code as amended by section 37 of chapter 348, Acts of the Sixty-second General Assembly.

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- 1 Amend the title to House File 1222 by inserting
 - 2 in line 3, following the word "newspapers", the words
 - 3 "and shoppers' guides".

Offered from the floor and adopted

Filed - *adopted 2-12*
February 12, 1970

WELDEN of Hardin

1 Amend the Potgeter amendment, filed March 10, 1970, to
2 House File 1222 by striking all after the figures "1222"
3 in line 1, and all of line 2, and by inserting in lieu
4 thereof the following:
5 "by striking all after the enacting clause and inserting in
6 lieu thereof the following:
7 Section 1."

Filed - *adopted 3/11*
March 10, 1970

By GAUDINEER

1 Amend House File 1222 as follows:
2 1. By striking all of section 4 on page 2 and renumbering the
3 remaining section.
4 2. Page 2, by striking lines 25, 26, and 27 and inserting in
5 lieu thereof the following:
6 "Sec. 4. This Act being deemed of immediate importance
7 shall be in full force and effect and shall be retroactive to
8 January 1, 1970, from and after publication in The Des Moines
9 Register, a newspaper pub-".

Filed and adopted, *Reconsidered and lost 3/17*
March 10, 1970

By SHAFF

1 Amend House File 122, page 2, by adding the following new
2 section after line 29:
3 "The director of revenue shall not collect any tax due
4 on gross receipts from the sale of newspapers, free newspapers
5 or shoppers guides and the printing and publishing thereof
6 prior to January 1, 1970. Any such taxes which have accrued
7 and are due and owing shall be forgiven and are null and
8 void. This section shall not be printed as a permanent part
9 of the Code."

Filed - *Lost 3/11*
March 10, 1970

By POTGETER

1 Amend House File 1222, page 2, by adding the
2 following new section after line 29:
3 "Sec. 6. The director of revenue shall proceed
4 to collect any tax due on gross receipts from the
5 sale of newspapers, free newspapers or shoppers
6 guides and the printing and publishing thereof until
7 January 1, 1970 which is not prohibited by the
8 statute of limitations. Any person, firm, corporation
9 or other entity which owes such tax and voluntarily
10 pays it to the director of revenue before January 1,
11 1971 shall not be charged any penalty or interest. If
12 any such tax is paid or collected thereafter, interest
13 and penalty twice the rate provided by law shall be
14 also collected. This section shall not be printed as
15 a permanent part of the code."

Filed and lost
March 10, 1970

By GAUDINEER

1 Amend House File 1222 as follows:
2 1. Page 1, by striking from lines 18 and 19 the words
3 "the effective date of this Act" and inserting in lieu
4 thereof the words "Decemr 31, 1969".
5 2. Page 2, by striking all of lines 18, 19 and 20 and
6 inserting in lieu thereof the words "the purchase or use of
7 newsprint and ink after December 31, 1969, by any person,
8 firm or corporation to be incorporated in or used in the
9 printing of any newspaper, free".

Filed - *Withdrawn 3/17*
March 13, 1970

By POTGETER