

FEB 28 1973

Place On Calendar

HOUSE FILE 314

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

Passed House, Date 3-19-73 (545) Passed Senate, Date 3-26-73 (660)

Vote: Ayes 79 Nays 3 Vote: Ayes 35 Nays 4

Approved 4-6-73

A BILL FOR

1 An Act relating to exemptions from the sales and use tax on
2 sales subject to a special tax.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section four hundred twenty-two point forty-
2 five (422.45), Code 1973, is amended by adding the following
3 new subsection:

4 NEW SUBSECTION. The gross receipts from the sale of motor
5 fuel and special fuel consumed for highway use or in water-
6 craft where the fuel tax has been imposed and paid and no
7 refund has been or will be allowed.

8 Sec. 2. Section four hundred twenty-two point forty-six
9 (422.46), Code 1973, is amended to read as follows:

10 422.46 CREDIT ON TAX. ~~A credit shall be allowed against~~
11 ~~the amount of tax computed to be due and payable on the gross~~
12 ~~receipts from sales at retail of any tangible personal property~~
13 ~~or from services rendered, furnished, or performed upon which~~
14 ~~the state now imposes a special tax, whether in the form of a~~
15 ~~license tax, stamp tax, or otherwise, to the extent of the~~
16 ~~amount of such tax imposed and paid. This provision shall~~
17 ~~not apply to the sale of airplanes or to the sale at retail~~
18 ~~of beer, alcoholic beverages and cigarettes. Taxes paid on~~
19 gross receipts represented by accounts found to be worthless
20 and actually charged off for income tax purposes may be
21 credited upon a subsequent payment of the tax herein pro-
22 vided; provided, that if such accounts are thereafter collected
23 by the retailer, a tax shall be paid upon the amount so
24 collected.

25 Sec. 3. Section four hundred twenty-three point four
26 (423.4), Code 1973, is amended by striking subsection three
27 (3).

28 EXPLANATION

29 This bill subjects the sale of tobacco products to the
30 sales tax and brings into uniformity the sales and use tax
31 statutes regarding exemptions for products which have been
32 previously subject to a special tax.

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