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SENATE FILE
BY IVERSON

2441

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act exempting from state sales tax machinery and equipment
2 directly and primarily used for the maintenance of quality or
3 integrity of various animal biological products or animal
4 drugs, and exempting the electricity to power such machinery
5 and equipment.

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

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S.F. 2441

1 Section 1. Section 422.45, Code Supplement 1995, is
2 amended by adding the following new subsection:
3 NEW SUBSECTION. 50. The gross receipts from the sale to
4 manufacturers, as defined in section 428.20, of machinery and
5 equipment directly and primarily used for the maintenance of
6 quality or integrity of animal biological products or animal
7 drugs, including but not limited to, changing or maintaining
8 temperature levels necessary to avoid spoilage of such
9 products or to hold the animal biological products or animal
10 drugs in marketable condition, maintaining environmental
11 conditions necessary for safe or efficient use of machinery
12 and materials used to produce such animal biological products
13 or animal drugs, and for quality control activities in
14 connection with such products. The gross receipts from the
15 sale to manufacturers, as defined in section 428.20, of
16 electricity to power such machinery and equipment shall also
17 be exempt.

18 EXPLANATION

19 The bill provides an exemption from retail sales tax for
20 equipment and machinery that is directly and primarily used to
21 maintain quality or integrity of various animal biological
22 products or animal drugs. The bill also exempts the
23 electricity used to power such machinery.

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