

JAN 22 1997
WAYS AND MEANS

HOUSE FILE 56
BY RANTS

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

A BILL FOR

1 An Act relating to the elimination of the sales, services, and
2 use taxes on job placement services.

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

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HF 56

1 Section 1. Section 422.43, subsection 11, unnumbered
2 paragraph 1, Code 1997, is amended to read as follows:

3 The following enumerated services are subject to the tax
4 imposed on gross taxable services: alteration and garment
5 repair; armored car; vehicle repair; battery, tire, and
6 allied; investment counseling; service charges of all
7 financial institutions; barber and beauty; boat repair;
8 vehicle wash and wax; carpentry; roof, shingle, and glass
9 repair; dance schools and dance studios; dating services; dry
10 cleaning, pressing, dyeing, and laundering; electrical and
11 electronic repair and installation; rental of tangible
12 personal property, except mobile homes which are tangible
13 personal property; excavating and grading; farm implement
14 repair of all kinds; flying service; furniture, rug,
15 upholstery repair and cleaning; fur storage and repair; golf
16 and country clubs and all commercial recreation; house and
17 building moving; household appliance, television, and radio
18 repair; jewelry and watch repair; limousine service, including
19 driver; machine operator; machine repair of all kinds; motor
20 repair; motorcycle, scooter, and bicycle repair; oilers and
21 lubricators; office and business machine repair; painting,
22 papering, and interior decorating; parking facilities; pipe
23 fitting and plumbing; wood preparation; licensed executive
24 search agencies; ~~private-employment-agencies,-excluding~~
25 ~~services-for-placing-a-person-in-employment-where-the~~
26 ~~principal-place-of-employment-of-that-person-is-to-be-located~~
27 ~~outside-of-the-state~~; sewage services for nonresidential
28 commercial operations; sewing and stitching; shoe repair and
29 shoeshine; sign construction and installation; storage of
30 household goods, mini-storage, and warehousing of raw
31 agricultural products; swimming pool cleaning and maintenance;
32 taxidermy services; telephone answering service; test
33 laboratories, including mobile testing laboratories and field
34 testing by testing laboratories, and excluding tests on humans
35 or animals; termite, bug, roach, and pest eradicators; tin and

1 sheet metal repair; turkish baths, massage, and reducing
2 salons; weighing; welding; well drilling; wrapping, packing,
3 and packaging of merchandise other than processed meat, fish,
4 fowl and vegetables; wrecking service; wrecker and towing; pay
5 television; campgrounds; carpet and upholstery cleaning; gun
6 and camera repair; janitorial and building maintenance or
7 cleaning; lawn care, landscaping and tree trimming and
8 removal; pet grooming; reflexology; security and detective
9 services; tanning beds or salons; and water conditioning and
10 softening.

11 EXPLANATION

12 The bill removes the state sales, services, and use taxes
13 from job placement services offered by private employment
14 agencies. The taxes are still imposed on licensed executive
15 search agency services since these services are used by an
16 employer to find an employee to fill a position and not by an
17 individual to be placed in a job.

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