

MAR 13 1997
WAYS AND MEANS

HOUSE FILE 619
BY REYNOLDS-KNIGHT

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

A BILL FOR

1 An Act providing for the exemption of barber and beauty services
2 from the tax imposed on gross taxable services.

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

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HF 619

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 Sec. 2. Section 422.43, Code 1997, is amended by adding
12 the following new subsection:

13 NEW SUBSECTION. 14. Notwithstanding the exemption of
14 barber and beauty services from the tax imposed on gross
15 taxable services, pursuant to subsection 11, a tax of five
16 percent is imposed upon the gross receipts from the sale at
17 retail of any and all cosmetic products, supplies, and other
18 items of tangible personal property sold by a barber or
19 cosmetologist pursuant to subsection 1. Only the professional
20 services rendered for which the barber or cosmetologist is
21 licensed shall be exempt from tax.

22 EXPLANATION

23 This bill provides that barber and beauty services shall be
24 removed from the list of services subject to the tax on gross
25 taxable services in Code section 422.43, subsection 11.

26 This bill provides that, notwithstanding this exemption,
27 retail sales of any and all cosmetic products, supplies, and
28 other items of tangible personal property sold by a barber or
29 cosmetologist are subject to sales tax. Only the professional
30 services rendered for which a barber or cosmetologist is
31 licensed shall be exempt from tax.

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