JAN 2 8 1997 WAYS AND MEANS HOUSE FILE **2** BY GRUNDBERG

Passed	House,	Date	Passed	Senate,	Date	
Vote:	Ayes	Nays	Vote:	Ayes	Nays	
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## A BILL FOR

1 An Act relating to a sales tax exemption for certain aircraft and providing an effective date. 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA: NE SI TLSB 1694HH 77

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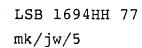
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3 4 aircraft; the sale or rental of tangible personal property 5 permanently affixed or attached as a component part of the 6 aircraft, including but not limited to repair or replacement 7 materials or parts; and the gross receipts of all services 8 used for aircraft repair, remodeling, and maintenance services 9 when such services are performed on aircraft, aircraft 10 engines, or aircraft component materials or parts. For the 11 purposes of this exemption, "aircraft" means aircraft used in 12 a-scheduled an interstate federal aviation administration-13 certified air carrier operation.

Sec. 2. EFFECTIVE DATE. This Act, being deemed of 14 15 immediate importance, takes effect upon enactment. 16 EXPLANATION

17 Current law provides a sales tax exemption for the gross 18 receipts from the sale or rental of aircraft, the sale or 19 rental of component parts of an aircraft, and from certain 20 services used for aircraft repair, remodeling, and maintenance 21 services. The exemption is limited to aircraft used in a 22 scheduled interstate federal aviation administration-certified 23 air carrier operation. This bill removes the limitation that 24 the operation be scheduled and instead allows the exemption 25 for an aircraft used in an interstate federal aviator 26 administration-certified air carrier operation. This bill is effective upon enactment. 27

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