

JAN 20 1999

WAYS AND MEANS

HOUSE FILE 110
BY CORMACK

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

A BILL FOR

1 An Act relating to the exemption of clothing and wearing apparel
2 from the sales and use taxes.

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

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HF 110

1 Section 1. Section 422.45, Code 1999, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 55. The gross receipts from the sale or
4 storage of clothing and wearing apparel, except the following:

5 a. Articles commonly or commercially known as jewelry,
6 whether real or imitation; pearls, precious and semiprecious
7 stones, and imitations of these; articles made of, or
8 ornamented, mounted, or fitted with precious metals or
9 imitations of these; watches; clocks; cases and movements for
10 watches and clocks; gold, gold-plated, silver, or sterling
11 flatware or hollowware and silver-plated hollowware; opera
12 glasses; lorgnettes; marine glasses; field glasses; and
13 binoculars.

14 b. Articles made of fur on the hide or pelt, and articles
15 of which this fur is the component material or chief value,
16 but only if the value is more than three times the value of
17 the next most valuable component material.

18 c. Perfumes, essences, extracts, toilet waters, cosmetics,
19 petroleum jellies, hair oils, pomades, hair dressing, hair
20 restoratives, hair dyes, aromatic cachous, and toilet powders.
21 However, the exemption shall apply to lotion, oil, powder, or
22 other articles intended to be used or applied only in the case
23 of babies.

24 d. Trunks; valises; traveling bags; suitcases; satchels;
25 overnight bags; hat boxes for use by travelers; beach bags;
26 bathing suit bags; briefcases made of leather or imitation
27 leather; salespeople's sample and display cases; purses;
28 handbags; pocketbooks; wallets; billfolds; card, pass, and key
29 cases; and toilet cases.

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EXPLANATION

31 The bill exempts from the sales and use taxes the sales of
32 and storage of clothing and wearing apparel, except jewelry,
33 furs, perfumes, cosmetics, suitcases, and leather goods.

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