

SENATE FILE 240
BY JOHNSON

(COMPANION TO LSB 1158HH
BY DRAKE)

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

A BILL FOR

1 An Act relating to an annual appropriation of sales and use tax
2 revenues for purposes of a tourism fund.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 240
APPROPRIATIONS

1 Section 1. NEW SECTION. 15.115 PROMOTE IOWA FUND.

2 A promote Iowa fund is created in the state treasury under
3 the control of the department consisting of moneys
4 appropriated to the department and deposited in the fund
5 pursuant to section 422.105. Moneys in the fund are not
6 subject to section 8.33. Notwithstanding section 12C.7,
7 interest or earnings on moneys in the fund shall be credited
8 to the fund. Moneys in the fund shall be used for marketing,
9 salaries, support, maintenance, and miscellaneous purposes
10 related to the Iowa tourism office of the department.

11 Sec. 2. NEW SECTION. 422.105 PROMOTE IOWA FUND
12 APPROPRIATION.

13 1. The department of revenue and finance, in cooperation
14 with the department of economic development, shall determine a
15 tourism percentage that is the percentage of the total amount
16 of sales and use tax revenues that can be attributed to the
17 tourism industry in the state. The percentage may be
18 periodically reviewed and revised.

19 2. On August 1 of each fiscal year, the department of
20 revenue and finance shall calculate, based on the tourism
21 percentage identified in subsection 1, the dollar amount of
22 the total sales and use tax revenues collected during the
23 previous fiscal year attributed to the tourism industry and
24 determine whether there was an increase of more than two
25 percent in tourism-related sales and use tax revenues from the
26 fiscal year preceding the previous fiscal year. There is
27 appropriated from the general fund of the state to the
28 department of economic development on August 1 of each fiscal
29 year two million dollars or an amount equal to any increase
30 above two percent, whichever is greater. Moneys appropriated
31 to the department pursuant to this subsection shall be
32 deposited in the promote Iowa fund established in section
33 15.115.

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EXPLANATION

35 This bill annually appropriates a portion of increases in

1 tourism-related sales and use tax revenues for purposes of a
2 promote Iowa fund.

3 The bill creates a promote Iowa fund in the state treasury
4 and under the control of the department of economic
5 development. The bill provides that moneys in the fund shall
6 be used for marketing, salaries, support, maintenance, and
7 miscellaneous purposes related to the Iowa tourism office of
8 the department.

9 The bill provides that the department of revenue and
10 finance, in cooperation with the department of economic
11 development, shall determine a tourism percentage which is the
12 percentage of the total amount of sales and use tax revenues
13 that can be attributed to the tourism industry in the state.

14 The bill provides that on August 1 of each fiscal year, the
15 department of revenue and finance shall calculate, based on
16 the tourism percentage identified, the dollar amount of the
17 total sales and use tax revenues collected during the previous
18 fiscal year attributed to the tourism industry and determine
19 whether there was an increase of more than 2 percent in
20 tourism-related sales and use tax revenues from the fiscal
21 year preceding the previous fiscal year. The bill provides
22 that the greater of \$2 million or any increase above 2 percent
23 shall be appropriated from the general fund of the state to
24 the department of economic development for deposit in the
25 promote Iowa fund.

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