

FILED FEB 22 2005

SENATE FILE 191  
BY WARNSTADT

WAYS & MEANS

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the distribution to a city or county of state  
2 sales tax collected at events sponsored by a private entity  
3 and the city or county and making an appropriation.

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

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SF 191  
WAYS & MEANS

1 Section 1. Section 423.2, subsection 10, Code 2005, is  
2 amended to read as follows:

3 10. ~~All~~ Except as provided in section 423.4A, revenues  
4 arising under the operation of the provisions of this section  
5 shall be deposited into the general fund of the state.

6 Sec. 2. NEW SECTION. 423.4A LOCAL EVENTS FACILITY FUND  
7 -- SALES TAX REVENUES.

8 1. A city or county shall receive one-half of the state  
9 sales tax collected from admissions to and activities  
10 occurring at a tourism, cultural, recreational, entertainment,  
11 or educational event if both of the following conditions are  
12 met:

13 a. The event is sponsored by a private entity in  
14 conjunction with the city or county or agency of the city or  
15 county. This paragraph does not require the city or county or  
16 its agency to assist in financing the event.

17 b. The city or county certifies and remits to the  
18 department the amount of state sales tax collected within  
19 three months of the date on which the event closes.

20 2. Upon receipt of state sales tax revenues derived from  
21 admissions to and activities at events meeting the criteria  
22 specified in subsection 1, the director shall credit one-half  
23 of the revenues to the general fund of the state and one-half  
24 to the city's or county's account, as applicable, in a local  
25 events facility fund. A local events facility fund is  
26 established in the state treasury under the control of the  
27 department.

28 3. There is appropriated from the local events facility  
29 fund for each fiscal year to the city or county the amount in  
30 its account in the fund which was credited during the previous  
31 fiscal year. Payments pursuant to this subsection shall be  
32 made by September 15 of the fiscal year. Moneys received by a  
33 city or county pursuant to this subsection shall be used for  
34 the promotion of events to be held at the local events  
35 facility and at the discretion of the city or county for the

1 maintenance and improvement of the local events facility.

2 Sec. 3. Section 423.43, subsection 3, Code 2005, is  
3 amended to read as follows:

4 3. All other revenue arising derived from the use tax  
5 under the operation of this chapter shall be credited to the  
6 general fund of the state.

7 EXPLANATION

8 This bill appropriates to a city or county one-half of the  
9 state sales tax collected on the admissions to and activities  
10 occurring at tourism, cultural, recreational, entertainment,  
11 or educational events which are sponsored by the local  
12 government and a private entity. The sales tax revenues are  
13 to be certified by the local government as coming from  
14 admissions to and activities occurring at the event. The  
15 department of revenue shall credit one-half of such revenues  
16 to a special account in a local events facility fund. The  
17 city or county shall receive the amount credited in the fiscal  
18 year by September 15 of the following fiscal year. The moneys  
19 received by the local government shall be used to promote  
20 events to be held at the local events facility and to maintain  
21 and improve the local events facility.

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