

House File 720 - Introduced

HOUSE FILE _____
BY WISE

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

A BILL FOR

1 An Act providing a sales tax exemption for the purchase of
2 fitness equipment by a physical exercise club.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 2395HH 82
5 ak/es/88

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1 1 Section 1. Section 423.3, Code 2007, is amended by adding
1 2 the following new subsection:
1 3 NEW SUBSECTION. 92. The sales price from the sale of
1 4 fitness equipment that is primarily used by a customer of a
1 5 physical exercise club for exercise or fitness. For the
1 6 purposes of this subsection, "physical exercise club" includes
1 7 those entities defined in section 552.1 and a company or
1 8 organization that purchases fitness equipment for its
1 9 employees or members to use free of charge.

1 10 EXPLANATION

1 11 This bill provides a sales tax exemption for the sale of
1 12 fitness equipment to a physical exercise club. The fitness
1 13 equipment must be primarily used by a customer of the club for
1 14 exercise or fitness in order to be exempt. A physical
1 15 exercise club is a facility offering services for the
1 16 preservation, maintenance, encouragement, or development of
1 17 physical fitness or well-being, including businesses defined
1 18 in Code section 552.1 and companies or organizations that
1 19 provide services free of charge to employees or members.
1 20 LSB 2395HH 82
1 21 ak:sc/es/88