

Senate File 568 - Introduced

SENATE FILE _____
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 237)

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

A BILL FOR

1 An Act concerning the sales tax on the operation of bingo games.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
3 TLSB 2510SV 82
4 mg/gg/14

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1 1 Section 1. Section 423.2, subsection 4, unnumbered
1 2 paragraph 2, Code 2007, is amended to read as follows:
1 3 The tax imposed under this subsection covers the total
1 4 amount from the operation of games of skill, games of chance,
1 5 ~~and raffles, and bingo games~~ as defined in chapter 99B, and
1 6 musical devices, weighing machines, shooting galleries,
1 7 billiard and pool tables, bowling alleys, pinball machines,
1 8 slot-operated devices selling merchandise not subject to the
1 9 general sales taxes, ~~the total amount less amounts awarded as~~
1 10 ~~prizes from the operation of bingo games as defined in chapter~~
1 11 ~~99B,~~ and on the total amount from devices or systems where
1 12 prizes are in any manner awarded to patrons and upon the
1 13 receipts from fees charged for participation in any game or
1 14 other form of amusement, and generally upon the sales price
1 15 from any source of amusement operated for profit, not
1 16 specified in this section, and upon the sales price from which
1 17 tax is not collected for tickets or admission, but tax shall
1 18 not be imposed upon any activity exempt from sales tax under
1 19 section 423.3, subsection 78. Every person receiving any
1 20 sales price from the sources described in this section is
1 21 subject to all provisions of this subchapter relating to
1 22 retail sales tax and other provisions of this chapter as
1 23 applicable.

EXPLANATION

1 24 Under current law, the state sales and use tax is imposed
1 25 on the gross amount derived from the operation of bingo games.
1 26 This bill imposes the tax only on the gross amount less the
1 27 amounts awarded as prizes.
1 28 LSB 2510SV 82
1 29 mg:rj/gg/14
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