

House File 2530 - Introduced

HOUSE FILE 2530
BY COMMITTEE ON WAYS AND MEANS
(SUCCESSOR TO HSB 729)

A BILL FOR

1 An Act exempting from the state sales and use taxes the sale of
2 paint and other consumable items to an auto body shop.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.3, Code Supplement 2009, is amended
2 by adding the following new subsection:

3 NEW SUBSECTION. 96. The sales price from the sale of paint
4 and other consumable items to an auto body shop if all of the
5 following conditions exist:

6 a. The paint or other consumable item is purchased directly
7 and primarily for use by the auto body shop in the furnishing
8 of vehicle repair services such that the paint or other
9 consumable item becomes an ingredient or component part of the
10 repair work performed by the auto body shop.

11 b. The paint or other consumable item is listed as a
12 separate item on the auto body shop's customer invoice and is
13 transferred to the customer in a form or quantity to which a
14 definite price or value can be assigned.

15 EXPLANATION

16 This bill exempts from the sales and use taxes the sales
17 price from the sale of paint and other consumable items to an
18 auto body shop if the sale meets certain criteria.