

House File 302 - Introduced

HOUSE FILE 302

BY LUKAN

A BILL FOR

1 An Act concerning the sales and use tax imposed on the
2 operation of bingo games.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.2, subsection 4, paragraph b, Code
2 2011, is amended to read as follows:

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

24 EXPLANATION

25 This bill provides that bingo games conducted by qualified
26 organizations for certain charitable purposes are exempt from
27 the sales and use tax imposed on other bingo games. Current
28 law imposes the tax on the gross amount derived from the bingo
29 games.