

House File 2430 - Introduced

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BY BYRNES

A BILL FOR

1 An Act exempting the sale of clothing from the sales tax.

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

1 Section 1. Section 423.3, subsection 68, paragraph a, Code
2 2016, is amended to read as follows:

3 a. The sales price from the sale of an article of clothing
4 designed to be worn on or about the human body ~~if all of the~~
5 ~~following apply:~~

6 ~~(1) The sales price of the article is less than one hundred~~
7 ~~dollars.~~

8 ~~(2) The sale takes place during a period beginning at 12:01~~
9 ~~a.m. on the first Friday in August and ending at midnight on~~
10 ~~the following Saturday.~~

11 EXPLANATION

12 The inclusion of this explanation does not constitute agreement with
13 the explanation's substance by the members of the general assembly.

14 This bill exempts the purchase of clothing from the sales
15 tax. Under current law, an article of clothing is only exempt
16 from the sales tax if the sales price is less than \$100 and if
17 the sale takes place during the first weekend in August of each
18 year. The bill strikes these requirements and provides that
19 any sale of clothing is exempt from the sales tax. "Clothing"
20 and other related terms are currently defined under Iowa law in
21 Code section 423.3(68).

22 By operation of Code section 423.6, an item exempt from the
23 imposition of the sales tax is also exempt from the use tax
24 imposed in Code section 423.5.