

House File 388 - Introduced

HOUSE FILE 388

BY MOORE

A BILL FOR

1 An Act relating to the sales tax imposed on the operation of
2 bingo games by certain nonprofit entities.

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

1 Section 1. Section 423.3, Code 2015, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 101. The sales price from the operation
4 of a bingo game, as defined in chapter 99B, operated by a
5 nonprofit entity that is exempt from federal income taxation
6 pursuant to section 501(c)(3) of the Internal Revenue Code,
7 a government entity, or a nonprofit private educational
8 institution, to the extent the amount of the sales price
9 represents amounts that will be awarded as prizes during the
10 operation of the bingo game.

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 provides a limited sales tax exemption for
15 the operation of a bingo game by an Internal Revenue Code
16 §501(c)(3) tax-exempt nonprofit entity, government entity, or
17 a nonprofit private educational institution. The exemption
18 applies to the extent the amount of the sales price represents
19 amounts that will be awarded as prizes during the operation of
20 the bingo game.