

House Joint Resolution 2008 - Introduced

HOUSE JOINT RESOLUTION 2008

BY STECKMAN

HOUSE JOINT RESOLUTION

1 A Joint Resolution nullifying administrative rules of the
2 department of revenue concerning the manufacturing sales and
3 use tax exemptions and providing an effective date.
4 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. The amendments to 701 Iowa administrative code,
2 rule 15.3, subrule 3; rule 18.29, subrule 7; rules 18.58,
3 219.11, and 219.12; rule 219.13, subrule 3; and rule 230.5, as
4 appearing in ARC 2349C, as published in the Iowa administrative
5 bulletin, volume XXXVIII, number 14, dated January 6, 2016, p.
6 1359-1364, are nullified.

7 Sec. 2. 701 Iowa administrative code, rules 230.14 through
8 230.22, are nullified.

9 Sec. 3. EFFECTIVE DATE. This joint resolution, being deemed
10 of immediate importance, takes effect upon enactment.

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 joint resolution nullifies several administrative
15 rules and amendments to administrative rules of the department
16 of revenue relating to the manufacturing sales and use tax
17 exemptions under Code sections 423.3(47) and 423.3(48) for
18 the purchase of certain items used in manufacturing, research
19 and development, data processing or storage, or recycling
20 activities, and for the purchase of certain design and
21 installation services related to machinery and equipment, and
22 to the definitions of several applicable terms, including
23 but not limited to definitions for tax-exempt "computers",
24 "machinery", "equipment", "replacement parts", and "materials
25 used to construct or self-construct computers, machinery,
26 and equipment". These administrative rules and amendments
27 to administrative rules also concern the treatment of these
28 tax-exempt items as they relate to the taxation of construction
29 activities under Code sections 423.2(1)(b) and 423.2(1)(c)
30 by amending the method for determining whether the items are
31 considered real property and taxed as building materials
32 when purchased in furtherance of a construction contract,
33 or considered tangible personal property eligible for the
34 manufacturing sales and use tax exemptions.

35 The joint resolution takes effect upon enactment.