

Senate File 2033 - Introduced

SENATE FILE 2033

BY RAGAN

A BILL FOR

1 An Act exempting from the sales tax certain items and services
2 sold to a nonprofit human blood collection and processing
3 establishment, including effective date and retroactive
4 applicability provisions.

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

1 Section 1. Section 423.3, Code 2016, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 44. The sales price of chemicals, solvents,
4 sorbents, or reagents sold, or test laboratory services
5 furnished, to a nonprofit human blood collection and processing
6 establishment that meets the definition of establishment in 21
7 C.F.R. §607.3(c).

8 Sec. 2. REFUNDS. Refunds of taxes, interest, or penalties
9 that arise from claims resulting from the enactment of
10 this Act, for sales occurring between July 1, 2005, and
11 the effective date of this Act, shall not be allowed,
12 notwithstanding any other provision of law to the contrary.

13 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
14 immediate importance, takes effect upon enactment.

15 Sec. 4. RETROACTIVE APPLICABILITY. This Act applies
16 retroactively to July 1, 2005.

17 EXPLANATION

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

20 This bill exempts from the sales tax the sales price of
21 chemicals, sorbents, or reagents sold, or test laboratory
22 services furnished, to a nonprofit human blood collection
23 and processing establishment that meets the definition of
24 establishment in 21 C.F.R. §607.3(c). That federal regulation
25 defines "establishment" to mean a place of business under
26 one management at one general physical location. The term
27 includes, among others, human blood and plasma donor centers,
28 blood banks, transfusion services, other blood product
29 manufacturers, and independent laboratories that engage in
30 quality control and testing for registered blood product
31 establishments.

32 By operation of Code section 423.6, an item exempt from the
33 imposition of the sales tax is also exempt from the use tax
34 imposed in Code section 423.5.

35 The bill prohibits refunds of taxes, interest, or penalties

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1 arising from claims resulting from the enactment of the bill
2 for sales occurring between July 1, 2005, and the effective
3 date of the bill.

4 The bill takes effect upon enactment and applies
5 retroactively to July 1, 2005.