

House File 2486 - Introduced

HOUSE FILE 2486

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 683)

A BILL FOR

1 An Act exempting from the sales tax the sale of instructional
2 materials required for use in a course of instruction at a
3 postsecondary institution in this state.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.3, Code 2018, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 103. *a.* The sales price from the sale of
4 instructional materials required for a course of instruction
5 at a postsecondary institution in this state, when purchased
6 for use by a student enrolled in such course of instruction at
7 the postsecondary institution.

8 *b.* For purposes of this subsection:

9 (1) "*Instructional materials*" means books, textbooks, and
10 other course materials, whether in printed form or another
11 tangible storage media.

12 (2) "*Postsecondary institution*" means an institution
13 of higher learning under the control of the state board of
14 regents, a community college established under chapter 260C, or
15 an accredited private institution as defined in section 261.9.

16 EXPLANATION

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

19 This bill provides a sales tax exemption for the sale of
20 instructional materials required for a course of instruction
21 at a postsecondary institution in this state, when purchased
22 for use by a student enrolled in such course of instruction at
23 the postsecondary institution. "Postsecondary institution" and
24 "instructional materials" are defined in the bill.

25 By operation of Code section 423.6, an item exempt from the
26 imposition of the sales tax is also exempt from the use tax
27 imposed in Code section 423.5.