

House File 2628 - Introduced

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BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 722)

(SUCCESSOR TO HSB 247)

A BILL FOR

- 1 An Act expanding the sales and use tax exemption allowed for
- 2 nonprofit blood centers.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.3, subsection 18, Code 2024, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. *h.* (1) Blood collection and processing
4 establishments.

5 (2) As used in this paragraph, "*blood collection and*
6 *processing establishment*" means the same as an establishment
7 described in 216 C.F.R. §607.3(c).

8 Sec. 2. Section 423.3, subsection 26A, Code 2023, is amended
9 by striking the subsection.

10 EXPLANATION

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

13 This bill expands the current sales and use tax exemption
14 allowed for nonprofit blood centers.

15 Under current law, tangible personal property sold or test
16 laboratory services furnished are exempt from sales and use
17 tax if sold or furnished to a nonprofit blood center that is
18 registered by the federal food and drug administration, and the
19 property or services are directly and primarily used in the
20 processing of human blood.

21 The bill provides that tangible personal property or
22 specified digital products sold or any services furnished are
23 exempt from sales and use tax if sold or furnished to a blood
24 collection and processing establishment. The bill defines
25 blood collection and processing establishment to mean the
26 same as an establishment described in 216 C.F.R. §607.3(c),
27 which means a place of business under one management at one
28 general physical location. The term includes, among others,
29 human blood and plasma donor centers, blood banks, transfusion
30 services, and other blood product manufacturers and independent
31 laboratories that engage in quality control and testing for
32 registered blood product establishments.