

House File 45 - Introduced

HOUSE FILE 45
BY OSMUNDSON

A BILL FOR

1 An Act relating to special registration plates displaying a
2 decal of a nonprofit veterans' organization.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.34, subsection 13, paragraph b,
2 subparagraph (1), subparagraph division (c), Code 2023, is
3 amended to read as follows:

4 (c) The organization is a nonprofit corporation which is
5 exempt from federal income taxation under section 501(c)(3) or
6 501(c)(19) of the Internal Revenue Code and is organized under
7 the laws of this state or authorized to do business within this
8 state.

9

EXPLANATION

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

12 Under current law, the department of transportation (DOT) is
13 authorized to issue special registration plates with a space
14 to display an organization decal. The DOT does not issue the
15 organization decal. Instead, the organization is responsible
16 for producing, administering, and issuing the decal.

17 An organization must submit an application to the DOT
18 for approval to issue a decal. An application must include
19 proof of eligibility to issue the decal, a color copy of the
20 completed decal design, a clear and concise explanation of
21 the purpose of the decal, all eligibility requirements for
22 purchasing the decal, and the fees to be charged for the decal.
23 To qualify for approval, the primary activity or interest
24 of the organization must serve the community, contribute to
25 the welfare of others, and cannot be discriminatory in its
26 purpose, nature, activity, or name; the name and purpose of the
27 organization cannot promote any specific product or brand name
28 that is provided for sale; and the organization is required to
29 be a nonprofit corporation which is exempt from taxation under
30 section 501(c)(3) of the Internal Revenue Code and organized
31 under Iowa's laws or authorized to do business within Iowa.

32 This bill authorizes an organization which is exempt under
33 section 501(c)(19) of the Internal Revenue Code to apply
34 for approval to issue an organization decal. To be exempt
35 under section 501(c)(19), an organization must be a post or

1 organization of past or present members of the United States
2 armed forces, an auxiliary unit or society of such post
3 or organization, or a trust or foundation for such post or
4 organization.