

House File 683 - Introduced

HOUSE FILE 683

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 230)

A BILL FOR

1 An Act relating to the excise tax imposed on the handling of
2 grain, including by providing for transfer of collected
3 revenue to the grain depositors and sellers indemnity fund,
4 providing for the future elimination of the excise tax,
5 and including effective date and retroactive applicability
6 provisions.

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

1 Section 1. Section 428.35, subsection 6, Code 2023, is
2 amended to read as follows:

3 6. *Payment of tax.* ~~The tax, when determined, shall be~~
4 ~~entered in the same manner as general property taxes on the tax~~
5 ~~list of the taxing district, and the proceeds of the collection~~
6 ~~of the tax shall be distributed to the same taxing units and~~
7 ~~in the same proportion as the general property tax on the tax~~
8 ~~list of each taxing district~~ Excise tax moneys collected on
9 grain reported in the statement filing form required to be
10 filed sixty days after January 1, 2023, shall be remitted to
11 the department of revenue as required by the department. The
12 department shall transfer the remitted moneys to the grain
13 depositors and sellers indemnity fund created in section
14 203D.3. All provisions of the law relating to the assessment
15 and collection of property taxes and the powers and duties of
16 the county treasurer, county auditor, and all other officers
17 with respect to the assessment, collection, and enforcement
18 of property taxes apply to the assessment, collection, and
19 enforcement of the excise tax imposed by this section.

20 Sec. 2. Section 428.35, Code 2023, is amended by adding the
21 following new subsections:

22 NEW SUBSECTION. 7. *Section no longer applicable.*

23 Notwithstanding any provision of this section to the contrary,
24 all of the following apply:

25 a. Grain handled on or after January 1, 2023, otherwise
26 required to be reported on the statement filing form filed
27 sixty days after January 1, 2024, as provided in subsection 3
28 is not subject to the excise tax imposed by subsection 2.

29 b. A statement filing form as described in paragraph "a"
30 otherwise requiring the reporting of grain handled on or after
31 January 1, 2023, is not required to be filed.

32 NEW SUBSECTION. 8. *Section repealed.* This section is
33 repealed July 1, 2025.

34 Sec. 3. Section 445.3, subsection 2, Code 2023, is amended
35 to read as follows:

1 the start of the calendar year. The statement records the
2 total number of bushels handled by the person during the prior
3 calendar year. The excise tax is entered on the tax list of the
4 taxing district and revenue collected from the excise tax is
5 distributed to the various taxing authorities within the taxing
6 district in the same manner as general property taxes.

7 BILL'S PROVISIONS. The bill requires excise tax moneys on
8 grain reported in the statement filed 60 days after January
9 1, 2023, for the prior assessment year to be remitted to the
10 department of revenue and transferred to the grain depositors
11 and sellers indemnity fund. The excise tax is no longer
12 assessable for grain handled on or after January 1, 2023,
13 and the statute imposing the tax is repealed July 1, 2025.
14 The bill takes effect upon enactment and is retroactively
15 applicable to January 1, 2023, for the assessment year
16 beginning January 1, 2022.

17 GRAIN DEPOSITORS AND SELLERS INDEMNITY FUND. A grain
18 dealer or warehouse operator must do business in this state
19 under a license issued by the department of agriculture and
20 land stewardship. A person selling grain to a licensed grain
21 dealer or depositing grain with a licensed warehouse operator
22 may be reimbursed for a loss incurred by the failure of the
23 licensed grain dealer or licensed warehouse operator to honor
24 a contractual obligation regarding the transaction. The
25 indemnity fund is supported by several sources, including a
26 participation fee paid by those grain dealers and warehouse
27 operators applying for or renewing a license and a per-bushel
28 fee paid only by grain dealers.