

House Study Bill 751 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON KAUFMANN)

A BILL FOR

1 An Act relating to transactions involving used catalytic
2 converters.

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

1 Section 1. Section 714.27A, subsection 2, paragraphs b and
2 c, Code 2024, are amended to read as follows:

3 b. For a business transaction in which the person selling
4 the catalytic converter operates a business at a fixed location
5 in this state, the person shall provide to the purchaser a
6 copy of the person's valid sales tax permit issued pursuant to
7 chapter 423 or a copy of the person's valid business license
8 or permit. For a business transaction in which the person
9 selling the catalytic converter operates a business at a fixed
10 location in another state and is authorized to conduct a
11 business transaction in this state, the person shall provide
12 to the purchaser a copy of the person's valid sales tax permit
13 issued pursuant to [chapter 423](#), if the person has such a
14 permit, or a copy of the person's valid business license or
15 permit from the other state. If a person is unable to provide
16 the documentation required in this paragraph, the person shall
17 instead comply with paragraph "c".

18 c. For transactions other than business transactions, the
19 person selling the catalytic converter shall provide to the
20 purchaser an original receipt or invoice for a replacement
21 catalytic converter purchased fewer than thirty days before
22 the person sells the replaced catalytic converter, a signed
23 affidavit attesting to the seller's valid ownership of the
24 catalytic converter, or a junking certificate for a vehicle
25 that was issued fewer than thirty days before the person sells
26 the catalytic converter.

27 (1) The receipt, invoice, affidavit, or junking certificate
28 presented by the person to the purchaser must be unmarked by a
29 purchaser pursuant to [subsection 3](#).

30 (2) This paragraph does not apply to a transaction if the
31 person presents proof, unmarked pursuant to [subsection 3](#), to
32 the purchaser that the sale is approved by the sheriff of the
33 county in which the vehicle from which the catalytic converter
34 was removed is registered.

35 Sec. 2. Section 714.27A, subsection 3, paragraph b, Code

1 is required to provide to the purchaser an original receipt or
2 invoice for a replacement catalytic converter purchased fewer
3 than 30 days before the person sells the replaced catalytic
4 converter, or a junking certificate for a vehicle that was
5 issued fewer than 30 days before the person sells the catalytic
6 converter. The bill authorizes a seller to provide a signed
7 affidavit attesting to the seller's valid ownership of the
8 catalytic converter instead of the original receipt, invoice,
9 or junking certificate. The bill requires a purchaser to mark
10 an affidavit in the same manner the purchaser must mark other
11 acceptable forms of proof of ownership under Code section
12 714.27A.

13 Under current law, a person, including a person who
14 conducts a business transaction on behalf of another person,
15 who violates Code section 714.27A is subject to a civil
16 penalty ranging from \$1,000 to \$10,000 based on the number
17 of violations that occur within a two-year period. Proof
18 that a person, including a person who conducted a business
19 transaction on behalf of another person, violated Code section
20 714.27A(2) or 714.27A(3) is evidence from which the court or
21 jury may infer culpability relating to the theft of a catalytic
22 converter. The bill requires that a person must intentionally
23 violate Code section 714.27A to be subject to the corresponding
24 civil or criminal penalty, as applicable.