

House Study Bill 767 - Introduced

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

A BILL FOR

1 An Act creating sales and use tax exemptions relating to
2 commencing or restarting nuclear electric generation
3 facilities, and including retroactive applicability
4 provisions.

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

1 Section 1. Section 423.3, Code 2026, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 111. *a.* The sales price of tangible
4 personal property or specified digital products sold or
5 services furnished before, during, or after the site
6 preparation, construction, reconstruction, replacement,
7 alteration, repair, safe storage, maintenance, or restarting
8 after decommissioning of a nuclear electric generation
9 facility.

10 *b.* This exemption does not apply to the following:

11 (1) Motor vehicles subject to registration under chapter
12 321.

13 (2) Tangible personal property or specified digital
14 products sold, or services furnished where the purchasing agent
15 of the nuclear electric generation facility fails to provide
16 the retailer with an exemption certificate.

17 (3) Tangible personal property or specified digital
18 products sold, or services furnished prior to January 1, 2025.

19 *c.* This subsection shall not be construed to limit any other
20 exemptions applicable under this chapter.

21 *d.* The department shall issue guidance within ninety
22 days of the effective date of this Act regarding acceptable
23 documentation for exemption qualification and exemption
24 certificate procedures.

25 *e.* The department may adopt rules pursuant to chapter 17A
26 to administer this subsection.

27 *f.* For purposes of this subsection, "*nuclear electric*
28 *generation facility*" means a facility commencing or restarting
29 commercial operations on or after January 1, 2028, that is
30 located in this state, uses nuclear fission, fusion, or other
31 nuclear processes to generate electricity for sale or for use
32 in the transmission or distribution grid and is licensed by
33 the federal nuclear regulatory commission. A "*nuclear electric*
34 *generation facility*" includes facilities undergoing restart
35 after a decommissioning period and facilities in advanced

1 stages of development or obtaining federal licensing from
2 the United States nuclear regulatory commission. A "*nuclear*
3 *electric generation facility*" includes all of the following:

4 (1) Nuclear reactors, reactor fuel cores, reactor vessels,
5 steam generators, heat exchangers, turbine systems, control
6 rods, instrumentation, cooling systems, fuel handling and
7 storage systems, radiation shielding, radiation sources and
8 other primary nuclear generation components, and spent fuel
9 storage.

10 (2) Structures and buildings housing nuclear generation
11 systems, including containment buildings, auxiliary buildings,
12 cooling towers, water intake or discharge structures, and
13 on-site storage facilities directly related to nuclear
14 operations.

15 (3) Electrical generation and transformation equipment,
16 including turbines, generators, switchgear, transformers,
17 inverters, transmission structures, conductors, substations,
18 and associated power conditioning and control equipment.

19 (4) Equipment and systems used for safety, security,
20 radiation monitoring, emergency power, operator training,
21 maintenance training, safety-related equipment storage, and
22 warehousing.

23 (5) Environmental protection required for operation of the
24 facility.

25 (6) System materials, components, equipment, storage,
26 structures, and buildings associated with integrated systems
27 that enhance the flexibility of the system in delivering energy
28 to the electrical grid, including but not limited to the
29 following:

30 (a) Systems that store and utilize thermal energy or
31 electrical energy from the nuclear electric generating facility
32 prior to delivering energy to the grid.

33 (b) Energy storage systems that utilize a transmission
34 system interconnection to the same physical substation as the
35 nuclear electric generating facility.

1 (7) Materials, supplies, and components permanently
2 incorporated into or consumed in the construction, repair, or
3 maintenance of a nuclear electric generation facility.

4 (8) Digital control systems, software, cybersecurity,
5 infrastructure, and physical security systems and equipment
6 used in the safe and compliant operation of the nuclear
7 electric generation facility.

8 (9) Equipment, materials, systems, and services required to
9 restart operations at a previously operational nuclear electric
10 generation facility that has ceased commercial operation,
11 including but not limited to refurbishment, modernization,
12 regulatory compliance upgrades, and relicensing activities.

13 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies
14 retroactively to January 1, 2025, for qualifying tangible
15 personal property or specified digital products sold, or
16 services furnished on or after that date.

17

EXPLANATION

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

20 This bill creates sales and use tax exemptions relating
21 to commencing or restarting nuclear electric generation
22 facilities.

23 The bill exempts tangible personal property or specified
24 digital products sold and services furnished are exempted
25 from the state sales and use tax (exemption) before, during,
26 or after the site preparation, construction, reconstruction,
27 replacement, alteration, repair, safe storage, maintenance,
28 or the restarting after decommissioning of a nuclear electric
29 generation facility.

30 The bill defines "nuclear electric generation facility"
31 (facility) to mean a facility commencing or restarting on
32 or after January 1, 2028, that is located in this state,
33 uses nuclear fission, fusion, or other nuclear processes to
34 generate electricity for sale or for use in the transmission
35 or distribution grid and is licensed by the federal nuclear

1 regulatory commission.

2 The exemption does not apply to the following: (1) motor
3 vehicles registered under Code chapter 321, (2) tangible
4 personal property or specified digital products sold, or
5 services furnished, without the facility providing its
6 exemption certificate, and (3) tangible personal property or
7 specified digital products sold, or services furnished, prior
8 to January 1, 2025.

9 The definition of facility in the bill is comprehensive
10 and includes but is not limited to nuclear reactors, storage
11 facilities, equipment, electrical generation, and other
12 structures.

13 The bill requires the department of revenue to issue
14 guidance about acceptable documentation required to obtain
15 the exemption and exemption certificate procedures. The bill
16 also specifies the department of revenue may adopt rules to
17 administer the bill.

18 The bill applies retroactively to January 1, 2025, for
19 qualifying tangible personal property or specified digital
20 products sold, or services furnished on or after that date.