

Senate File 2503 - Introduced

SENATE FILE 2503

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 2275)

(SUCCESSOR TO SSB 3102)

A BILL FOR

1 An Act modifying the sales or use tax refund for biodiesel
2 production, and including retroactive applicability
3 provisions.

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

1 Section 1. Section 423.4, subsection 9, paragraph b, Code
2 2026, is amended to read as follows:

3 b. The amount of the refund shall be calculated by
4 multiplying a designated rate by the total number of gallons
5 of biodiesel produced by the biodiesel producer in this state
6 during each quarter of a calendar year. The Beginning January
7 1, 2026, but before January 1, 2027, the designated rate shall
8 be ~~four~~ five cents. Beginning January 1, 2027, but before
9 January 1, 2028, the designated rate shall be four cents.

10 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies
11 retroactively to January 1, 2026, for gallons of biodiesel
12 produced by a biodiesel producer in this state on or after that
13 date.

14 EXPLANATION

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

17 Beginning January 1, 2026, but before January 1, 2027, this
18 bill increases the sales or use tax refund available to the
19 producers of biodiesel from 4 cents per gallon to 5 cents per
20 gallon. Beginning January 1, 2027, but before January 1, 2028,
21 the bill reverts the refund amount back to 4 cents per gallon
22 of biodiesel produced. The amount of the refund is calculated
23 by multiplying the designated rate (currently 4 cents) by the
24 total number of gallons of biodiesel produced by the biodiesel
25 producer in this state. The bill does not change the repeal
26 date of January 1, 2028.

27 The bill applies retroactively to January 1, 2026, for
28 gallons of biodiesel produced by a biodiesel producer in this
29 state on or after that date.