

**House File 2757 - Reprinted**

HOUSE FILE 2757

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 767)

(As Amended and Passed by the House April 15, 2026)

**A BILL FOR**

1 An Act creating sales and use tax exemptions and refunds  
2 relating to commencing or restarting nuclear electric  
3 generation facilities, and including retroactive  
4 applicability 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.* (1) The sales price of tangible  
4 personal property or specified digital products sold to or of  
5 services furnished to a nuclear electric generation facility on  
6 or after January 1, 2026.

7 (2) The tangible personal property, specified digital  
8 products, and services furnished shall be directly and  
9 primarily used before, during, or after the site preparation,  
10 construction, reconstruction, replacement, alteration, repair,  
11 safe storage, maintenance, or restarting after decommissioning  
12 of the nuclear electric generation facility.

13 *b.* The exemption under this section does not apply to motor  
14 vehicles subject to registration under chapter 321.

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

17 *d.* The department shall issue guidance within ninety  
18 days of the effective date of this Act regarding acceptable  
19 documentation for exemption qualification and exemption  
20 certificate procedures.

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

23 *f.* A nuclear electric generation facility that does not  
24 commence or restart commercial operation within twelve and  
25 one-half years of the later of the issuance of the certificate  
26 of public convenience, use, and necessity under chapter 476A  
27 for the applicable unit of the facility or the placement  
28 of the first safety-related concrete for such unit shall  
29 repay the entire amount of the sales and use tax exemptions  
30 the nuclear electric generation facility claimed under this  
31 subsection and refunds claimed under section 423.4, subsection  
32 1, and the entire amount of sales and use tax exemptions that  
33 contractors, subcontractors, and builders claimed for building  
34 materials, supplies, equipment, and services in the performance  
35 of a written construction contract with the nuclear electric

1 generation facility under subsection 80. Any repayment shall  
2 be considered a tax payment due and payable to the department  
3 by the nuclear electric generation facility, and the failure to  
4 make the repayment may be treated by the department in the same  
5 manner as a failure to pay the tax shown due, or required to be  
6 shown due, with the filing of a return or deposit form.

7 *g.* (1) A nuclear electric generation facility is eligible  
8 to receive an exemption under this subsection until the earlier  
9 of one year from the date of delivering notification to the  
10 applicable regional transmission operators that commercial  
11 operation has been achieved or June 30, 2051.

12 (2) Within thirty days of delivering notification in  
13 subparagraph (1), the nuclear electric generation facility  
14 shall notify the department of the date notification was  
15 delivered under subparagraph (1) in a manner prescribed by the  
16 director.

17 *h.* As used in this subsection:

18 (1) "*Nuclear electric generation facility*" means a facility  
19 commencing or restarting commercial operations of at least  
20 one unit of the facility on or after January 1, 2028, that is  
21 located in this state, uses nuclear fission, fusion, or other  
22 nuclear processes to generate electricity for sale or for use  
23 in the transmission or distribution grid and is licensed by  
24 the federal nuclear regulatory commission. A "*nuclear electric*  
25 *generation facility*" includes facilities undergoing restart  
26 after a decommissioning period and facilities in advanced  
27 stages of development or obtaining federal licensing from  
28 the United States nuclear regulatory commission. A "*nuclear*  
29 *electric generation facility*" includes all of the following:

30 (a) Nuclear reactors, reactor fuel cores, reactor vessels,  
31 steam generators, heat exchangers, turbine systems, control  
32 rods, instrumentation, cooling systems, fuel handling and  
33 storage systems, radiation shielding, radiation sources and  
34 other primary nuclear generation components, and spent fuel  
35 storage.

1 (b) Structures and buildings housing nuclear generation  
2 systems, including containment buildings, auxiliary buildings,  
3 cooling towers, water intake or discharge structures, and  
4 on-site storage facilities directly related to nuclear  
5 operations.

6 (c) Electrical generation and transformation equipment,  
7 including turbines, generators, switchgear, transformers,  
8 inverters, transmission structures, conductors, substations,  
9 and associated power conditioning and control equipment.

10 (d) Equipment and systems used for safety, security,  
11 radiation monitoring, emergency power, operator training,  
12 maintenance training, safety-related equipment storage, and  
13 warehousing.

14 (e) Environmental protection required for operation of the  
15 facility.

16 (f) System materials, components, equipment, storage,  
17 structures, and buildings associated with integrated systems  
18 that enhance the flexibility of the system in delivering energy  
19 to the electrical grid, including but not limited to the  
20 following:

21 (i) Systems that store and utilize thermal energy or  
22 electrical energy from the nuclear electric generating facility  
23 prior to delivering energy to the grid.

24 (ii) Energy storage systems that utilize a transmission  
25 system interconnection to the same physical substation as the  
26 nuclear electric generating facility.

27 (g) Materials, supplies, and components permanently  
28 incorporated into or consumed in the construction, repair, or  
29 maintenance of a nuclear electric generation facility.

30 (h) Digital control systems, software, cybersecurity,  
31 infrastructure, and physical security systems and equipment  
32 used in the safe and compliant operation of the nuclear  
33 electric generation facility.

34 (i) Equipment, materials, systems, and services required to  
35 restart operations at a previously operational nuclear electric

1 generation facility that has ceased commercial operation,  
2 including but not limited to refurbishment, modernization,  
3 regulatory compliance upgrades, and relicensing activities.

4 (2) "*Site preparation activities*" means the same as defined  
5 in subsection 95, paragraph "f".

6 *i.* This subsection is repealed on July 1, 2051.

7 Sec. 2. Section 423.4, subsection 1, paragraph a, Code 2026,  
8 is amended by adding the following new subparagraph:

9 NEW SUBPARAGRAPH. (11) A nuclear electric generation  
10 facility as defined in section 423.3, subsection 111.

11 Sec. 3. RETROACTIVE APPLICABILITY. This Act applies  
12 retroactively to January 1, 2026, for qualifying tangible  
13 personal property or specified digital products sold, or  
14 services furnished on or after that date.