

## CHAPTER 1050

## EXCISE TAX ON TURKEY SALES

H. F. 145

AN ACT to provide an excise tax on the sale of turkeys and providing a penalty for certain violations of this Act.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. As used in this Act, unless the context indicates other-  
2 wise:

3 1. "Producer" means any person doing business within this state  
4 who grows more than two hundred turkeys for slaughter each year.  
5 The word "producer" may include where applicable, an integrator,  
6 who is a person who both produces and processes turkeys.

7 2. "Processor" means any person who purchases more than one  
8 thousand turkeys for slaughter each year. The word "processor"  
9 may include where applicable, an integrator, who is a person who  
10 both produces and processes turkeys.

11 3. "Turkeys" means turkeys raised for slaughter.

12 4. "Treasurer" means the person appointed as treasurer by the  
13 Iowa turkey marketing council from the membership of the council.

14 5. "Secretary" means a person employed by the Iowa turkey mar-  
15 keting council to perform duties specified by this Act or the council.

16 6. "Market development" means research and education programs  
17 directed toward better and more efficient production, marketing and  
18 utilization of turkey and turkey products produced for resale, and  
19 methods and means, including, but not limited to, public relations  
20 and other promotion techniques, for the maintenance of present mar-  
21 kets, for the development of new or larger domestic or foreign mar-  
22 kets, for the sale of turkeys, and for prevention, modification, or  
23 elimination of trade barriers which obstruct the free flow of such  
24 agricultural commodities to market. Market development includes  
25 providing promotion and research funds for Iowa's participation in  
26 activities such as the national turkey federation, the eat more turkey  
27 campaign, the national turkey federation research fund and other  
28 activities as may be authorized by the council.

29 7. "Iowa turkey marketing council" or "council" means the council  
30 administrating promotion and research funds. The council shall con-  
31 sist of the following seven members:

32 a. The Iowa secretary of agriculture or his representative.

33 b. The chairman of the poultry science department of the Iowa  
34 state university of science and technology.

35 c. The president of the Iowa turkey federation.

36 d. Four representatives selected from a list of eight names sub-  
37 mitted by the Iowa turkey federation by the secretary of agriculture  
38 who shall represent the Iowa turkey industry.

1 SEC. 2. If approved by a majority of the voters at a referendum  
2 as provided in section ten (10) of this Act, there is hereby imposed  
3 a fee upon each turkey delivered for processing in the state of Iowa.  
4 The rate of the fee imposed shall be one-half cent for each turkey  
5 weighing less than ten pounds live weight and one cent for each  
6 turkey weighing ten or more pounds live weight.

7 The fee shall be imposed on the producer and collected at the time  
8 of delivery of a turkey to the processing plant and shall be deducted  
9 by the processor at the time of delivery from the price paid to the  
10 producer at the time of the sale to the producer.

1 SEC. 3. At the time of delivery to the processing plant, the pro-  
2 cessor shall sign and deliver to the producer separate invoices for  
3 each purchase or such other records which will expedite collection  
4 of the fee. The invoices shall show:

- 5 1. The name and address of the producer and the seller, if different  
6 from the producer.
  - 7 2. The name and address of the processor.
  - 8 3. The quantity of turkeys sold.
  - 9 4. The date of the delivery.
- 10 Invoices shall be legibly written and shall not be altered.

1 SEC. 4. The fee imposed by this Act shall be paid by the processor  
2 to the Iowa turkey marketing council. Amounts collected from the  
3 fees shall be deposited with the treasurer of state in a separate  
4 special fund to be known as the Iowa turkey account.

1 SEC. 5. The fee imposed by this Act shall be remitted by a proces-  
2 sor to the treasurer monthly.

1 SEC. 6. After payment of expenses, in accordance with section  
2 nine (9) of this Act, all moneys in the Iowa turkey account may be  
3 used by the Iowa turkey marketing council for payment of claims  
4 based upon obligations incurred in market development on behalf of  
5 the turkey industry and such moneys are hereby appropriated for  
6 such purposes.

1 SEC. 7. The Iowa turkey account shall be subject at all times  
2 to warrant by the state comptroller, upon the written requisition of  
3 the chairman of the Iowa turkey marketing council, attested to by  
4 the secretary.

1 SEC. 8. Any producer who makes written application to the coun-  
2 cil, on forms provided by it, within sixty days after the date of  
3 delivery of turkeys to a processor, shall receive a refund of the  
4 amount of fee which was deducted.

1 SEC. 9. Moneys collected under authority of this Act shall be  
2 subject to audit by the auditor of state and shall be used by the  
3 council first for the payment of collection expenses and for payment  
4 of the costs and expenses arising in connection with conducting any  
5 required referendums, and secondly by the turkey marketing council  
6 for market development.

1 SEC. 10. Upon receipt of a petition signed by at least twenty-five  
2 producers requesting an initial referendum election to determine  
3 whether to impose the fee as provided in section two (2) of this  
4 Act, the secretary shall call and conduct an initial referendum.

1 SEC. 11. Notice of a referendum on the question of whether to  
2 impose the fee shall be given by the secretary by publishing the notice  
3 for a period of not less than five days in a newspaper of general

4 circulation in the state, and for a similar period in such other news-  
5 papers as the secretary prescribes. No referendum shall be com-  
6 menced prior to five days after the last day of the period of publica-  
7 tion. The notice of referendum shall set forth the period and voting  
8 places for the referendum, and the amount of the fee. Each producer,  
9 upon signing a statement certifying that he is a bona fide producer,  
10 as defined in this Act, shall be entitled to one vote.

1 SEC. 12. At the close of the referendum period, the secretary shall  
2 count and tabulate the ballots cast during the period. If the secretary  
3 finds that the majority of voters favor imposing the fee, the fee  
4 shall be imposed within ninety days following the referendum and  
5 shall continue for a period of five years unless extended. If the  
6 majority of voters do not favor imposing the fee, the fee will not  
7 be imposed until another referendum is held and a majority of voters  
8 favor imposing the fee.

9 If the majority of voters do not favor imposing the fee, a second  
10 referendum may be called by the secretary if petitioned by twenty-  
11 five producers and conducted within one hundred eighty days after  
12 the referendum. If a majority of voters do not favor imposition of  
13 the fee at the second referendum, an initial referendum shall not be  
14 conducted within a period of two years.

15 Subsequent referendums to extend the imposition of the fee shall  
16 be held at least thirty days prior to the termination of the period for  
17 which the fee is imposed. If the majority of voters do not favor  
18 extending the imposition of the fee, the moneys remaining in the Iowa  
19 turkey account shall continue to be expended in accordance with the  
20 provisions of this Act until exhausted.

1 SEC. 13. Every administrator, employee, or other person occupy-  
2 ing a position of trust under this Act shall give bond in the amount  
3 required by the secretary, and the premiums for bonds shall be part  
4 of the costs of collecting the fee.

1 SEC. 14. Any person subject to the provisions of this Act shall  
2 furnish, on forms provided by the council, any information needed  
3 to enable the council and secretary to effectuate the policies of this  
4 Act. For the purpose of ascertaining the correctness of any report  
5 made to the council or secretary under the provisions of this Act,  
6 the secretary may examine books, papers, records, copies of tax  
7 returns, accounts, correspondence, contracts, or other documents and  
8 memoranda it deems relevant which are in the control of any person  
9 and which are not otherwise confidential as provided by law. The  
10 secretary may hold hearings, take testimony, administer oaths, sub-  
11 poena witnesses, and issue subpoenas duces tecum in connection with  
12 the administration of this Act.

1 SEC. 15. It is a misdemeanor for any person to willfully violate  
2 any provision of this Act, or for any person to willfully render or  
3 furnish a false or fraudulent report, statement, or record required  
4 by the council or secretary.

1 SEC. 16. The secretary may enter into agreements with processors  
2 from outside Iowa for payment of the fee.

1 SEC. 17. During the period of imposition of the fee, the secretary,  
2 in cooperation with the auditor of state, shall make an annual report,  
3 on or before March 1 of each year, showing all income, expenses,  
4 and other relevant information. Such reports shall be available to  
5 the public.

1 SEC. 18. Section one hundred fifty-nine point twenty-five (159.25),  
2 Code 1971, is amended as follows:

3 **159.25 Marketing board.** There is hereby established an agricul-  
4 ture marketing board, to be thus known and designated.

5 The agriculture marketing board shall be composed of the secretary  
6 of agriculture and the dean of agriculture at Iowa state university of  
7 science and technology who shall serve as members of the advisory  
8 board without vote, and a producer member from each of the follow-  
9 ing statutory associations: Iowa swine producers association, *Iowa*  
10 *turkey federation*, Iowa beef cattle producers association, Iowa state  
11 sheep association, Iowa poultry and hatchery association, Iowa state  
12 dairy association, Iowa crop improvement association, Iowa soybean  
13 association, Iowa corn growers association, and state horticulture  
14 society. The names of three persons shall be certified to the secretary  
15 of agriculture by the presidents of the Iowa swine producers associa-  
16 tion, *Iowa turkey federation*, Iowa beef cattle producers association,  
17 Iowa poultry and hatchery association, and state horticulture society  
18 by June 1 of each odd-numbered year. The secretary of agriculture  
19 shall appoint by July 1 one of these three from each organization to  
20 the agriculture marketing board. Such an appointee shall serve for  
21 a period of two years beginning on July 1 of the year of his appoint-  
22 ment and until his successor is appointed or qualified. Three names  
23 shall be submitted and appointments made in the same manner in  
24 even-numbered years for representation from the Iowa state dairy  
25 association, Iowa soybean association, Iowa corn growers association,  
26 Iowa state sheep association, and Iowa crop improvement association.  
27 Any vacancy occurring in the agriculture marketing board shall be  
28 filled within two months of the vacancy in the manner provided in this  
29 section.

30 Appointive members of the board shall receive actual necessary  
31 expenses and mileage at the rate of seven cents per mile incurred while  
32 engaged in the business of the agriculture marketing board.

1 SEC. 19. The Iowa turkey marketing council shall not be a state  
2 agency.

1 SEC. 20. This Act shall not be construed to authorize the Iowa  
2 turkey marketing council to operate with a deficit or use deficit financ-  
3 ing for administration of this Act.

Approved April 21, 1972.