

CHAPTER 121**METHANE GAS CONVERSION PROPERTY – PROPERTY TAX EXEMPTION***H.F. 656*

AN ACT relating to exempting methane gas conversion property from taxation.

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

Section 1. Section 427.1, Code 1993, is amended by adding the following new subsection:
NEW SUBSECTION. 43. METHANE GAS CONVERSION. Methane gas conversion property shall be exempt from taxation.

For purposes of this subsection, "methane gas conversion property" means personal property, real property, and improvements to real property, and machinery, equipment, and computers assessed as real property pursuant to section 427A.1, subsection 1, paragraphs "e" and "j", used in an operation connected with a publicly owned sanitary landfill to collect methane gas or other gases produced as a byproduct of waste decomposition and to convert the gas to energy.

If the property used to convert the gas to energy also burns another fuel, the exemption shall apply to that portion of the value of such property which equals the ratio that its use of methane gas bears to total fuel consumed.

Application for this exemption shall be filed with the assessing authority not later than February 1 of each year for which the exemption is requested on forms provided by the department of revenue and finance. The application shall describe and locate the specific methane gas conversion property to be exempted. If the property consuming methane gas also consumes another fuel, the first year application shall contain a statement to that effect and shall identify the other fuel and estimate the ratio that the methane gas consumed bears to the total fuel consumed. Subsequent year applications shall identify the actual ratio for the previous year which ratio shall be used to calculate the exemption for that assessment year.

Approved May 11, 1993

CHAPTER 122**SALES AND USE TAX EXEMPTION FOR CERTAIN DRUGS AND DEVICES***H.F. 661*

AN ACT relating to the exemption from the state sales tax for certain prescription drugs and medical devices and providing for the Act's applicability.

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

Section 1. Section 422.45, subsection 13, Code 1993, is amended by striking the subsection and inserting in lieu thereof the following:

13. The gross receipts from the sale or rental of prescription drugs or medical devices intended for human use or consumption.

For the purposes of this subsection:

a. "Medical device" means equipment or a supply, intended to be prescribed by a practitioner, including orthopedic or orthotic devices. However, "medical device" also includes prosthetic devices, ostomy, urological, and tracheostomy equipment and supplies, and diabetic testing materials, hypodermic syringes, and oxygen equipment, intended to be dispensed for human use with or without a prescription to an ultimate user.

b. "Practitioner" means a practitioner as defined in section 155A.3, or a person licensed to prescribe drugs.

c. "Prescription drug" means a drug intended to be dispensed to an ultimate user pursuant to a prescription drug order or medication order from a practitioner, or oxygen or insulin dispensed for human consumption with or without a prescription drug order or medication order.

d. "Ultimate user" means an individual who has lawfully obtained and possesses a prescription drug or medical device for the individual's own use or for the use of a member of the individual's household, or an individual to whom a prescription drug or medical device has been lawfully supplied, administered, dispensed, or prescribed.

Sec. 2. Section 422.45, subsections 13A, 14, 15, and 16, Code 1993, are amended by striking the subsections.

Sec. 3. 1992 Iowa Acts, chapter 1189, section 5, is repealed and the repeal applies retroactively to January 1, 1987. Any claims filed pursuant to 1992 Iowa Acts, chapter 1189, section 5, for the period between January 1, 1987, and June 30, 1992, shall not be allowed.

Approved May 11, 1993

CHAPTER 123

INCOME TAX — FILING REQUIREMENTS

H.F. 666

AN ACT relating to the requirement for filing a state individual income tax return and providing a retroactive applicability date provision.

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

Section 1. Section 422.13, subsection 1, unnumbered paragraph 1, Code 1993, is amended to read as follows:

A Except as provided in subsection 1A, a resident or nonresident of this state shall make a return, signed in accordance with forms and rules prescribed by the director, if any of the following are applicable:

Sec. 2. Section 422.13, subsection 1, paragraphs b and c, Code 1993, are amended to read as follows:

b. The individual is claimed as a dependent on another person's return and has net income of ~~three~~ four thousand dollars or more for the tax year from sources taxable under this division.

c. However, if that part of the net income of a nonresident which is allocated to Iowa pursuant to section 422.8, subsection 2 is less than ~~five hundred~~ one thousand dollars the nonresident is not required to make and sign a return.

Sec. 3. Section 422.13, Code 1993, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. Notwithstanding any other provision in this section, a resident of this state is not required to make and file a return if the person's net income is equal to or less than the appropriate dollar amount listed in section 422.5, subsection 2, upon which tax is not imposed. A nonresident of this state is not required to make and file a return if the person's total net income in section 422.5, subsection 1, paragraph "j", is equal to or less than the appropriate dollar amount provided in section 422.5, subsection 2, upon which tax is not imposed. For purposes of this subsection, the amount of a lump sum distribution subject to separate federal tax shall be included in net income for purposes of determining if a resident is required to file a return and the portion of the lump sum distribution that is allocable to Iowa is included in total net income for purposes of determining if a nonresident is required to make and file a return.