

Sec. 2. **NEW SECTION. 335.30A LAND-LEASED COMMUNITIES.**

A county shall not adopt or enforce zoning or subdivision regulations or other ordinances which disallow the plans and specifications of land-leased communities solely because the housing within the land-leased community will be modular or manufactured housing.

"Land-leased community" means any site, lot, field, or tract of land under common ownership upon which ten or more occupied manufactured homes or modular homes are harbored, either free of charge or for revenue purposes, and shall include any building, structure, or enclosure used or intended for use as part of the equipment of the land-leased community. The term "land-leased community" shall not be construed to include homes, buildings, or other structures temporarily maintained by any individual, educational institution, or company on their own premises and used exclusively to house their own labor or students.

Sec. 3. Section 414.28, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A city shall not adopt or enforce construction, building, or design ordinances, regulations, requirements, or restrictions which would mandate width standards greater than twenty-four feet, roof pitch, or other design standards for manufactured housing if the housing otherwise complies with 42 U.S.C. § 5403. However, this paragraph shall not prohibit a city from adopting and enforcing zoning regulations related to transportation, water, sewerage, or other land development.

Sec. 4. **NEW SECTION. 414.28A LAND-LEASED COMMUNITIES.**

A city shall not adopt or enforce zoning or subdivision regulations or other ordinances which disallow the plans and specifications of land-leased communities solely because the housing within the land-leased community will be modular or manufactured housing.

"Land-leased community" means any site, lot, field, or tract of land under common ownership upon which ten or more occupied manufactured homes or modular homes are harbored, either free of charge or for revenue purposes, and shall include any building, structure, or enclosure used or intended for use as part of the equipment of the land-leased community. The term "land-leased community" shall not be construed to include homes, buildings, or other structures temporarily maintained by any individual, educational institution, or company on their own premises and used exclusively to house their own labor or students.

Sec. 5. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved April 30, 1997

CHAPTER 87

SALES AND USE TAX EXEMPTIONS — COMPUTERS, MACHINERY, EQUIPMENT, AND FUEL

H.F. 126

AN ACT relating to the state sales and use tax exemption on certain computers, machinery, equipment, and fuel.

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

Section 1. Section 422.45, subsection 27, Code 1997, is amended by striking the subsection and inserting in lieu thereof the following:

27. a. The gross receipts from the sale or rental of computers, machinery, and equipment, including replacement parts, and materials used to construct or self-construct computers, machinery, and equipment if such items are any of the following:

(1) Directly and primarily used in processing by a manufacturer.

(2) Directly and primarily used to maintain the integrity of the product or to maintain unique environmental conditions required for either the product or the computers, machinery, and equipment used in processing by a manufacturer, including test equipment used to control quality and specifications of the product.

(3) Directly and primarily used in research and development of new products or processes of processing.

(4) Computers used in processing or storage of data or information by an insurance company, financial institution, or commercial enterprise.

(5) Directly and primarily used in recycling or reprocessing of waste products.

(6) Pollution control equipment used by a manufacturer, including but not limited to that required or certified by an agency of this state or of the United States government.

b. The gross receipts from the sale of fuel used in creating heat, power, steam, or for generating electrical current, or from the sale of electricity, directly and primarily used in processing by a manufacturer.

c. However, the gross receipts from the sale or rental of the following shall not be exempt from the tax imposed by this division:

(1) Hand tools.

(2) Point-of-sale equipment and computers.

(3) Industrial machinery, equipment and computers, including pollution control equipment, within the scope of section 427A.1, subsection 1, paragraphs "h" and "i".

d. As used in this subsection:

(1) "Commercial enterprise" includes businesses and manufacturers conducted for profit and includes centers for data processing services to insurance companies, financial institutions, businesses, and manufacturers but excludes professions and occupations and non-profit organizations.

(2) "Financial institution" means as defined in section 527.2.

(3) "Insurance company" means an insurer organized or operating under chapter 508, 514, 515, 518, 518A, 519, or 520, or authorized to do business in Iowa as an insurer or a licensed insurance agent under chapter 522.

(4) "Manufacturer" means as defined in section 428.20, but also includes contract manufacturers. A contract manufacturer is a manufacturer that otherwise falls within the definition of manufacturer under section 428.20, except that a contract manufacturer does not sell the tangible personal property the contract manufacturer processes on behalf of other manufacturers.

(5) "Processing" means a series of operations in which materials are manufactured, refined, purified, created, combined, or transformed by a manufacturer, ultimately into tangible personal property. Processing encompasses all activities commencing with the receipt or producing of raw materials by the manufacturer and ending at the point products are delivered for shipment or transferred from the manufacturer. Processing includes but is not limited to refinement or purification of materials; treatment of materials to change their form, context, or condition; maintenance of the quality or integrity of materials, components, or products; maintenance of environmental conditions necessary for materials, components, or products; quality control activities; and construction of packaging and shipping devices, placement into shipping containers or any type of shipping devices or medium, and the movement of materials, components, or products until shipment from the processor.