

CHAPTER 1182**AIRCRAFT REGISTRATION FEES AND SALES TAX EXEMPTIONS***H.F. 2560*

AN ACT relating to aircraft registration fees and sales tax exemptions.

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

Section 1. Section 328.21, unnumbered paragraph 1, Code 1997, is amended to read as follows:

There An annual registration fee for each aircraft shall be paid to the department at the time of ~~such registration an annual registration fee for each such aircraft~~, to be computed as follows:

Sec. 2. Section 328.21, subsection 1, Code 1997, is amended to read as follows:

1. Unless otherwise provided in this section, for the first registration, a sum equal to one ~~and one-half~~ percent of the manufacturer's list price of the aircraft, not to exceed five thousand dollars.

Sec. 3. Section 328.21, subsection 2, Code 1997, is amended to read as follows:

2. The second year's registration fee is seventy-five hundredths of one percent of the ~~rate fixed for the first registration~~ manufacturer's list price of the aircraft; the third year's fee is fifty hundredths of one percent; and the fourth and subsequent year's fee is twenty-five hundredths of one percent; however, When an aircraft other than a new aircraft is registered in Iowa, the registration fee shall be based upon the number of years the aircraft was previously registered. However, an aircraft shall not be registered for a fee of less than thirty-five dollars or more than five thousand dollars.

Sec. 4. Section 328.26, Code 1997, is amended to read as follows:

328.26 APPLICATION FOR REGISTRATION.

Every application for registration pursuant to sections 328.19 ~~to 328.22~~ and 328.20 shall be made upon such forms, and shall contain such information, as the department may prescribe, and every application shall be accompanied by the full amount of the registration fee.

When an aircraft is registered to a person for the first time the fee submitted to the department shall include the tax imposed by section 422.43 or section 423.2 or evidence of the exemption of the aircraft from the tax imposed under section 422.43 or 423.2.

Sec. 5. Section 422.45, Code Supplement 1997, is amended by adding the following new subsection:

NEW SUBSECTION. 38B. The gross receipts from the sale or rental of tangible personal property permanently affixed or attached as a component part of the aircraft, including but not limited to repair or replacement materials or parts; and the gross receipts of all services used for aircraft repair, remodeling, and maintenance services when such services are performed on aircraft, aircraft engines, or aircraft component materials or parts. For the purposes of this exemption, "aircraft" means aircraft used in nonscheduled interstate federal aviation administration-certified air carrier operation operating under 14 C.F.R. ch. 1, pt. 135.

Sec. 6. Section 422.45, Code Supplement 1997, is amended by adding the following new subsection:

NEW SUBSECTION. 38C. The gross receipts from the sale of aircraft to an aircraft dealer who in turn rents or leases the aircraft if all of the following apply:

- a. The aircraft is kept in the inventory of the dealer for sale at all times.
- b. The dealer reserves the right to immediately take the aircraft from the renter or lessee when a buyer is found.

c. The renter or lessee is aware that the dealer will immediately take the aircraft when a buyer is found.

If an aircraft exempt under this subsection is used for any purpose other than leasing or renting, or the conditions in paragraphs "a", "b", and "c" are not continuously met, the dealer claiming the exemption under this subsection is liable for the tax that would have been due except for this subsection. The tax shall be computed upon the original purchase price.

Sec. 7. Section 328.22, Code 1997, is repealed.

Approved May 6, 1998

CHAPTER 1183

PUBLIC RETIREMENT SYSTEMS AND RELATED PROVISIONS

H.F. 2496

AN ACT relating to public retirement systems, and providing effective, implementation, and applicability dates.

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

DIVISION I

PUBLIC SAFETY PEACE OFFICERS' RETIREMENT, ACCIDENT, AND DISABILITY SYSTEM

Section 1. Section 97A.6, subsection 2, paragraph d, subparagraph (4), Code 1997, is amended to read as follows:

(4) For a member who terminates service, other than by death or disability, on or after July 1, 1996, but before July 1, 1998, and who does not withdraw the member's contributions pursuant to section 97A.16, upon the member's retirement there shall be added one and one-half percent of the member's average final compensation for each year of service over twenty-two years. However, this subparagraph does not apply to more than eight additional years of service.

Sec. 2. Section 97A.6, subsection 2, paragraph d, Code 1997, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (5) For a member who terminates service, other than by death or disability, on or after July 1, 1998, and who does not withdraw the member's contributions pursuant to section 97A.16, upon the member's retirement there shall be added one and one-half percent of the member's average final compensation for each year of service over twenty-two years. However, this subparagraph does not apply to more than ten additional years of service.

Sec. 3. Section 97A.6, subsection 4, Code 1997, is amended to read as follows:

4. ALLOWANCE ON ORDINARY DISABILITY RETIREMENT.

a. Upon retirement for ordinary disability prior to July 1, 1998, a member shall receive an ordinary disability retirement allowance which shall consist of a pension which shall equal fifty percent of the member's average final compensation unless either of the following conditions exist:

a- (1) If the member has not had five or more years of membership service, the member shall receive a disability pension equal to one-fourth of the member's average final compensation.