

CHAPTER 1010**SALES AND USE TAXES ON LIVESTOCK — FEED,
FEED SUPPLEMENTS, AND ADDITIVES FOR FARM DEER AND BISON***S.F. 335*

AN ACT relating to species of animals by classifying certain species as livestock, providing exemptions from the sales and use tax for feed used to support the species, providing for refunds, and including an effective date and retroactive applicability provision.

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

Section 1. Section 422.42, Code Supplement 2001, is amended by adding the following new subsections:

NEW SUBSECTION. 3A. "Farm deer" means the same as defined in section 189A.2.

NEW SUBSECTION. 6A. "Livestock" includes but is not limited to an animal classified as an ostrich, rhea, or emu; bison; or farm deer.

Sec. 2. Section 422.45, Code Supplement 2001, is amended by adding the following new subsection:

NEW SUBSECTION. 16. The gross receipts from the sale of feed and feed supplements and additives when used for consumption by farm deer or bison.

Sec. 3. **REFUNDS.** Refunds of taxes, interest, or penalties which arise from claims resulting from the enactment of section 422.45, subsection 16, in this Act, for sales occurring between April 1, 1995, and the effective date of this Act, shall be limited to fifty thousand dollars in the aggregate and shall not be allowed unless refund claims are filed prior to October 1, 2002, notwithstanding any other provision of law. If the amount of claims totals more than fifty thousand dollars in the aggregate, the department of revenue and finance shall prorate the fifty thousand dollars among all claimants in relation to the amounts of the claimants' valid claims.

Sec. 4. **EFFECTIVE DATE AND RETROACTIVE APPLICABILITY PROVISION.** This Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to April 1, 1995.

Approved March 6, 2002

CHAPTER 1011**FARM IMPLEMENT, MOTORCYCLE, AND
ALL-TERRAIN VEHICLE FRANCHISES OR DEALERSHIPS***S.F. 2084*

AN ACT relating to business relationships between persons involved in the sale of certain vehicles, including suppliers and dealers of all-terrain vehicles.

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

Section 1. Section 322D.1, Code 2001, is amended by adding the following new subsection:

NEW SUBSECTION. 01. "All-terrain vehicle" means the same as defined in section 321G.1.

Sec. 2. Section 322D.1, subsection 1, Code 2001, is amended to read as follows:

1. "Attachment" means a machine or part of a machine designed to be used on and in conjunction with a farm implement, ~~or a motorcycle, or all-terrain vehicle.~~

Sec. 3. Section 322D.1, subsection 3, paragraphs b and e, Code 2001, are amended to read as follows:

b. The franchisee is granted the right to offer and sell farm implements, ~~or motorcycles, all-terrain vehicles, or related parts or attachments~~ manufactured or distributed by the franchiser.

e. The operation of the franchisee's business is substantially reliant on the franchiser for the continued supply of farm implements, motorcycles, ~~all-terrain vehicles, or related parts, or attachments.~~

Sec. 4. Section 322D.1, subsections 4 through 6, Code 2001, are amended to read as follows:

4. "Franchisee" means a person who receives farm implements, ~~or motorcycles, all-terrain vehicles, or related parts for farm implements or motorcycles or attachments~~ from the franchiser under a franchise and who offers and sells the farm implements, ~~or motorcycles, all-terrain vehicles, or their related parts or attachments~~ to the general public.

5. "Franchiser" means a person who manufactures, wholesales, or distributes farm implements, ~~or motorcycles, all-terrain vehicles, or related parts for farm implements or motorcycles or attachments,~~ and who enters into a franchise.

6. "Motorcycle" ~~has the same meaning~~ means a motor vehicle as defined in section 321.1, subsection 40, paragraph "a" ~~other than an all-terrain vehicle, which has a saddle or seat for the use of a rider and that is designed to travel on not more than two wheels in contact with the ground, but excluding a motorized bicycle as defined in section 321.1.~~

Sec. 5. Section 322D.2, Code 2001, is amended to read as follows:

322D.2 FRANCHISEE'S RIGHTS TO PAYMENT.

1. A franchisee who enters into a written franchise with a franchiser to maintain a stock of ~~farm implements, motorcycles, all-terrain vehicles, or related parts, or attachments, farm implements, or motorcycles~~ has the following rights to payment, at the option of the franchisee, if the franchise is terminated:

a. One hundred percent of the net cost of new unused complete farm implements, ~~or motorcycles, including all-terrain vehicles, or related attachments,~~ which were purchased from the franchiser, ~~and in addition, the franchisee shall have a right of payment for~~ transportation charges on the farm implements, ~~or motorcycles, or all-terrain vehicles~~ which have been paid by the franchisee.

b. Eighty-five percent of the net prices of any repair parts, including superseded parts, which were purchased from the franchiser and held by the franchisee on the date of ~~that the termination of the franchise terminated.~~

c. Five percent of the net prices of the parts resold under paragraph "b" for handling, packing, and loading of the parts ~~except that. However,~~ this payment shall not be due to the franchisee if the franchiser elects to perform the handling, packing, and loading.

2. Upon receipt of the payments due under subsection 1, the franchiser is entitled to possession of and title to the farm implements, motorcycles, ~~all-terrain vehicles, or related parts or attachments, or parts.~~

3. The cost of farm implements, motorcycles, ~~all-terrain vehicles, or related attachments~~ and the price of repair parts shall be determined by reference to the franchiser's price list or catalog in effect at the time of the franchise termination.

Sec. 6. Section 322D.3, subsections 7 and 9, Code 2001, are amended to read as follows:

7. A farm implement, ~~or motorcycle, or all-terrain vehicle~~ which is not in new, unused, undamaged, or complete condition.

9. A farm implement, ~~or motorcycle, or all-terrain vehicle~~ which was purchased twenty-four months or more prior to the termination of the franchise.

Sec. 7. NEW SECTION. 322D.9 APPLICATION — ALL-TERRAIN VEHICLES.

1. This chapter applies to a franchise for all-terrain vehicles only if chapter 322F does not apply to a dealership engaged in the retail sale of equipment designed to be principally used for agricultural operations under chapter 322F.

2. The rights under section 322D.2, subsection 1, shall apply to a franchise for all-terrain vehicles as follows:

a. All franchises in effect on the effective date of this Act that have no expiration date and are continuing franchises.

b. Franchises that have been executed or renewed on or after the effective date of this Act, but only for all-terrain vehicles and related parts or attachments purchased on or after the effective date of this Act.

Sec. 8. Section 322F.1, Code 2001, is amended by adding the following new subsection:
NEW SUBSECTION. 01. "All-terrain vehicle" means the same as defined in section 321G.1.

Sec. 9. Section 322F.1, subsections 1 and 3, Code 2001, are amended to read as follows:

1. "Dealer" or "dealership" means a person engaged in the retail sale of equipment, if the person sells equipment designed to be principally used for agricultural ~~or horticultural~~ operations, ~~or raising livestock including but not limited to livestock or crop production or horticulture.~~

3. a. "Equipment" means a any of the following:

(1) A device or part of a device designed to be used for any purpose related to agriculture, including but not limited to livestock or crop production or horticulture, or livestock raising. Equipment "Equipment" includes but is not limited to tractors, trailers, combines, tillage, planting, and cultivating implements, balers, and irrigation implements.

(2) All-terrain vehicles, as defined in section 321G.1.

b. ~~Equipment also includes attachments to~~ For purposes of this chapter, attachments to equipment shall be deemed equipment.

c. ~~Equipment does not include self-propelled machines designed primarily for the transportation of persons or property on a street or highway.~~

Sec. 10. Section 322F.9, Code 2001, is amended to read as follows:
322F.9 APPLICABILITY.

1. A term of a dealership agreement ~~which that~~ is inconsistent with the terms of this chapter is void and unenforceable and does not waive any rights ~~which that~~ are provided to a person ~~provided by this chapter.~~

2. a. ~~This For all dealership agreements other than those for all-terrain vehicles, this chapter applies to all those dealership agreements in effect which that have no expiration date and all other agreements entered into or renewed on or after July 1, 1990. Any such dealership agreement in effect on June 30, 1990, which by its own terms will terminate on a subsequent date, shall be governed by the law as it existed prior to July 1, 1990.~~

b. For all dealership agreements for all-terrain vehicles, this chapter applies to those dealership agreements in effect that have no expiration date and all other such dealership agreements entered into or renewed on or after the effective date of this Act. Any such dealership agreement in effect on the effective date of this Act, which by its own terms will terminate on a subsequent date, shall be governed by the law as it existed prior to the effective date of this Act.

Approved March 14, 2002