

CHAPTER 1081

HOTEL AND MOTEL TAX EXEMPTIONS — RENTING OF LODGING

H.F. 760

AN ACT relating to the exemption from the hotel and motel taxes for the renting of lodging.

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

Section 1. [Section 423A.5, subsection 1](#), Code 2020, is amended to read as follows:

1. a. The sales price from the renting of lodging which is rented by the same person to a person where the lodging is rented by the same person for a period of more than thirty-one consecutive days, except as provided in paragraph “b”.

b. The sales price from the renting of lodging to a person where the lodging is rented by the same person for the period beginning after ninety consecutive days of rental by such person, if the rental is a room, apartment, or sleeping quarter in a hotel, motel, inn, public lodging house, or rooming house, or in any place where sleeping accommodations are furnished to a transient guest.

Sec. 2. [Section 423A.5](#), Code 2020, is amended by adding the following new subsection:

NEW SUBSECTION. 4. *a.* The sales price of lodging furnished to the guests of a nonprofit lodging provider and the purpose of renting is to provide a place for the friends and family of a hospital patient during a time of medical need of the patient and the length of stay is based upon the needs of the friends, family, or patient.

b. For purposes of [this subsection](#), “*nonprofit lodging provider*” means a nonprofit entity which is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code that maintains an established facility that provides lodging to friends and family of a hospital patient during a time of medical need of the patient.

Approved June 25, 2020