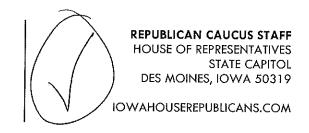
IOWA HOUSE REPUBLICANS



HOUSE REPUBLICAN STAFF ANALYSIS

Bill:

House File 664

Committee:

Ways and Means Floor Manager: Rep. Thompson, P.

Date:

May 1, 2023

Staff:

Kristi Kious (2-5290)

House Committee:

PASSED on 3/9/23 (24-0)

House Floor: Senate Floor:

Governor:

Affiliate Rentals and Leases

- Exempts leases/rentals between affiliates from sales tax and the fee for new vehicle registration.
- **Fiscal Note:**

Table 2 — Fiscal Impact of House File 664

FY 2024	General Fund*		SAVE		LOST		RUTF	
	\$	-2.3	\$	-0.2	\$	-0.2	\$	-0.
FY 2025		-2.3		-0.2		-0.2		-0.
FY 2026		-2.3		-0.2		-0.2		-0.
FY 2027		-2.4		-0.2		-0.2		-0.
FY 2028		-2.4		-0.2		-0.2		-1.

Section by Section Analysis

<u>Section 1 – Fee for new registration (321.105A)</u>

[New subparagraph] This section provides that when a vehicle is leased between affiliates, and the fee for new registration has been paid by the lessor prior to the lease—the lessee will not have to pay it again.

Section 2 - Exemptions (423.3)

[New subsection] This section provides that when a vehicle is leased between affiliates, and the sales tax has been paid by the lessor prior to the lease—the lessee will not have to pay it again.

Section 3 - Refunds

This section provides that refunds, interest, or penalties from January 1, 2015 – effective date are disallowed.

Section 4 – Effective date

This section provides that the bill is effective upon enactment.

<u>Section 5 – Retroactive applicability</u>

This section provides the bill applies retroactively to leases or rentals occurring on or after January 1, 2015.