

CLARIFY FEDERAL REFERENCE IN SALES TAX EXEMPTION FOR CERTAIN HEALTH CENTERS

Prior Law _____

Purchases by federally-defined community health centers and migrant health centers were exempt from sales and use tax.

New Provisions _____

The Act updates the exemption to conform to federal law. Purchases by federally-defined “health centers” are now exempt from sales and use tax. Under 42 U.S.C. section 254b, “health center” means an entity that provides primary health services and other required health services to certain medically underserved populations, including migratory and seasonal agricultural workers, the homeless, and residents of public housing.

Section Amended _____

Section 22 of 2014 Iowa Acts House File 2438 amends Iowa Code section 423.3, subsection 18, paragraph e, Code 2014.

Effective Date _____

July 1, 2014