

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 347

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO THE SALES AND USE TAX; AMENDING SECTION 63-3622S, IDAHO CODE,
2 TO EXEMPT CERTAIN BROADCASTING HAND TOOLS PRICED UP TO A CERTAIN AMOUNT
3 FROM CERTAIN TAXES AND TO MAKE A TECHNICAL CORRECTION; AMENDING SEC-
4 TION 63-3622T, IDAHO CODE, TO EXEMPT CERTAIN NEWSPAPER PRODUCTION HAND
5 TOOLS PRICED UP TO A CERTAIN AMOUNT FROM CERTAIN TAXES; AMENDING SECTION
6 63-3622W, IDAHO CODE, TO REMOVE REFERENCE TO CERTAIN HAND TOOLS AND
7 TO MAKE A TECHNICAL CORRECTION; AND AMENDING SECTION 63-3622JJ, IDAHO
8 CODE, TO EXEMPT CERTAIN LOGGING HAND TOOLS FROM CERTAIN TAXES.
9

10 Be It Enacted by the Legislature of the State of Idaho:

11 SECTION 1. That Section 63-3622S, Idaho Code, be, and the same is hereby
12 amended to read as follows:

13 63-3622S. RADIO AND TELEVISION BROADCASTING EQUIPMENT. There are
14 exempted from the taxes imposed by this chapter receipts from the sale, stor-
15 age, use or other consumption in this state of tangible personal property
16 directly used and consumed in the production and broadcasting of radio and
17 television programs when the purchase, storage, use or other consumption
18 is by a business or segment of a business which is primarily devoted to such
19 production and broadcasting, provided, that the use or consumption of such
20 tangible personal property is necessary or essential to the performance of
21 such operation. This exemption does not include machinery, equipment, ma-
22 terials and supplies used in a manner that is incidental to the production
23 and broadcasting operation, such as maintenance and janitorial equipment
24 and supplies ~~and hand tools with a unit price not in excess of one hundred~~
25 ~~dollars (\$100);~~ nor does it include tangible personal property used in any
26 activities other than actual production and broadcasting operations such as
27 office equipment and supplies, equipment and supplies used in selling and
28 distributing activities, in research, or in transportation activities; nor
29 shall this exemption include motor vehicles or aircraft, without regard to
30 the use to which such motor vehicles or aircraft are put.

31 SECTION 2. That Section 63-3622T, Idaho Code, be, and the same is hereby
32 amended to read as follows:

33 63-3622T. EQUIPMENT TO PRODUCE CERTAIN NEWSPAPERS. There are exempted
34 from the taxes imposed by this chapter:

35 (a) Receipts from the sale, storage, use or other consumption in this
36 state of tangible personal property directly used and consumed in the pro-
37 duction of publications in a newspaper format which are distributed to the
38 public at large and which rely on advertising revenue as their primary source
39 of income; provided, that the purchase, storage, use or other consumption
40 is by a business or segment of a business which is primarily devoted to such

1 production of said publications; provided, further, that the use or consump-
 2 tion of such tangible personal property is necessary or essential to the per-
 3 formance of such publication business. This exemption does not include ma-
 4 chinery, equipment, materials and supplies used in a manner that is inciden-
 5 tal to the production of said publications, such as maintenance and janito-
 6 rial equipment and supplies ~~and hand tools with a unit price not in excess of~~
 7 ~~one hundred dollars (\$100);~~ nor does it include tangible personal property
 8 used in any activities other than the actual production of the publication
 9 and shall not include property such as office equipment and supplies, equip-
 10 ment and supplies used in selling and distributing activities, in research
 11 or in transportation activities; nor shall this exemption include motor ve-
 12 hicles or aircraft without regard to the use to which such motor vehicles or
 13 aircraft are put.

14 (b) Provided, further, that this exemption shall apply when the publi-
 15 cation referred to herein is distributed to the public free of charge.

16 (c) Provided, further, that in order for the exemption to be applica-
 17 ble, at least ten percent (10%) of the total publication, computed on an av-
 18 erage annual column inch basis, must be devoted to the publication of nonin-
 19 come producing informative material.

20 SECTION 3. That Section 63-3622W, Idaho Code, be, and the same is hereby
 21 amended to read as follows:

22 63-3622W. IRRIGATION EQUIPMENT AND SUPPLIES. There are exempted from
 23 the taxes imposed by this chapter, ~~all sales of irrigation equipment and sup-~~
 24 ~~plies, except hand tools as defined in section 63-3622D, Idaho Code,~~ to be
 25 used for agricultural production purposes, whether or not such equipment and
 26 supplies are to become a part of real estate and whether or not installed by
 27 the farmer, a contractor or subcontractor.

28 SECTION 4. That Section 63-3622JJ, Idaho Code, be, and the same is
 29 hereby amended to read as follows:

30 63-3622JJ. LOGGING EXEMPTION. There are exempted from the taxes im-
 31 posed by this chapter:

32 (1) The sale at retail, storage, use or other consumption in this state
 33 of tangible personal property which is primarily and directly used or con-
 34 sumed in logging including, but not limited to, log loaders, log jammers, log
 35 skidders and fuel used in logging trucks, provided that the use or consump-
 36 tion of such tangible personal property is necessary or essential to log-
 37 ging.

38 (2) The exemption allowed by subsection (1) of this section does not in-
 39 clude machinery, equipment, materials and supplies used in a manner that is
 40 incidental to logging such as maintenance and janitorial equipment and sup-
 41 plies, ~~and hand tools with a unit purchase price not in excess of one hundred~~
 42 ~~dollars (\$100);~~ nor does it include tangible personal property used in any
 43 activities other than the actual logging, such as office equipment and sup-
 44 plies, equipment and supplies used in selling or distributing activities or,
 45 except for fuel used in logging trucks, in transportation activities; nor
 46 shall this exemption include motor vehicles or aircraft, without regard to
 47 the use to which such motor vehicles or aircraft are put; nor shall this ex-

1 emption apply to vehicles or equipment described in section 63-3622HH, Idaho
2 Code.