

March 14, 2011

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2159

Page 1, line 2, remove "and use"

Page 1, line 2, remove "purchases made by a contractor,"

Page 1, line 3, replace "subcontractor, or builder on behalf of" with "materials used to construct, expand, or improve"

Page 1, line 3, remove "to amend and reenact section"

Page 1, remove line 4

Page 1, line 5, remove "materials used by a contractor under contract with a nonprofit hospital;"

Page 1, line 10, replace "**Exemption for materials acquired by a contractor on behalf**" with "**Sales tax exemption for construction, expansion, or improvement**"

Page 1, line 12, remove "A contractor, subcontractor, or builder that acquires materials, supplies, or equipment"

Page 1, replace lines 13 through 23 with "Gross receipts from building materials, supplies, equipment, or other tangible personal property used to construct, expand, or improve a nonprofit hospital in this state are exempt from the taxes under this chapter. To qualify for the exemption, the building materials, supplies, equipment, or other tangible personal property must be incorporated into the structure of the hospital or consumed in the construction process to the point of not having any residual economic value."

Page 2, line 1, remove "If the contractor, subcontractor, or builder is also a retailer holding a retail sales tax"

Page 2, replace lines 2 through 6 with "If a contractor purchases and installs the building materials, supplies, equipment, or other tangible personal property, the hospital must apply to the commissioner for a refund of the sales tax paid by the contractor for the qualifying tangible personal property. The refund amount for each hospital claiming an exemption may not exceed five thousand dollars in any fiscal year beginning after June 30, 2011, and each subsequent fiscal year. The commissioner shall direct the time and manner by which the hospital must apply for the refund. The application must include sufficient information to verify the correctness of the refund claim."

Page 2, remove lines 10 through 30

Page 3, remove lines 1 through 8

Re-number accordingly