

## Red Tape Review Rule Report (Due: September 1, 20 23 )

<b>Department Name:</b>	Revenue	<b>Date:</b>	September 1, 2023	<b>Total Rule Count:</b>	21
<b>IAC #:</b>	701	<b>Chapter/ SubChapter/ Rule(s):</b>	Chapter 210	<b>Iowa Code Section Authorizing Rule:</b>	421.14, 422.68, 423.42
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**PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE**

**What is the intended benefit of the rule?**

The chapter describes the Department’s interpretation of the underlying statute to help the public understand the taxability of purchases made by businesses. These rules reduce uncertainty about what is subject to tax and what is exempt.

**Is the benefit being achieved? Please provide evidence.**

The Department has determined that the rules aid the public in better understanding the taxation of the covered items and the limitations of exemptions. The evidence for the benefit of the rules is demonstrated from the text of the rules themselves and the greater certainty they provide taxpayers.

**What are the costs incurred by the public to comply with the rule?**

There is no cost to comply with the rules. Any costs to comply with the rules are associated with the underlying statute.

**What are the costs to the agency or any other agency to implement/enforce the rule?**

There are no costs to the agency of implementing the rules beyond those that would otherwise be required to administer the statute. There are tax administration expenses associated with administering any tax statute, including return processing and enforcement program work.

**Do the costs justify the benefits achieved? Please explain.**

There are no costs of the rules themselves. The cost of inaction would be confusion about the applicability of the described statutes.

**Are there less restrictive alternatives to accomplish the benefit?  YES  NO**

**If YES, please list alternative(s) and provide analysis of less restrictive alternatives from other states, if applicable. If NO, please explain.**

The rules have been revised where possible to rescind statutory text or obsolete language. The rules that will be re-promulgated have been determined to be necessary and reworded to provide clarity. There is no less restrictive alternative to achieve the benefit of additional certainty.

**Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or un-necessary language, including instances where rule language is duplicative of statutory language? [list chapter/rule number(s) that fall under any of the above categories]**

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Yes. Chapter 210 contains some rules that include outdated or unnecessary language.

**RULES PROPOSED FOR REPEAL (list rule number[s]):**

None.

**RULES PROPOSED FOR RE-PROMULGATION (list rule number[s] or include rule text if available):**

- 210.1 is re-promulgated in its entirety.
- 210.2 is amended to remove unnecessary restrictive language.
- 210.3 is re-promulgated in its entirety.
- 210.4 is amended to remove unnecessary restrictive language.
- 210.5 is amended to remove unnecessary restrictive language.
- 210.6 is amended to remove unnecessary restrictive language.
- 210.7 is re-promulgated in its entirety.
- 210.8 is re-promulgated in its entirety.
- 210.9 is re-promulgated in its entirety.
- 210.10 is re-promulgated in its entirety.
- 210.11 is amended to remove unnecessary restrictive language.
- 210.12 is amended to remove unnecessary restrictive language.
- 210.13 is re-promulgated in its entirety.
- 210.14 is re-promulgated in its entirety.
- 210.15 is amended to remove unnecessary restrictive language.
- 210.16 is repealed but will be moved to and renumbered in Chapter 213
- 210.17 is reworded to provide clarity.
- 210.18 is amended to remove outdated language.
- 210.19 is amended to remove unnecessary restrictive language.
- 210.20 is re-promulgated in its entirety.

The text of the proposed rules will be published with the Regulatory Analysis in the Iowa Administrative Code Bulletin in the coming months.

***\*For rules being re-promulgated with changes, you may attach a document with suggested changes.***

**METRICS**

Total number of rules repealed:	0
Proposed word count reduction after repeal and/or re-promulgation	-317
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	11

**ARE THERE ANY STATUTORY CHANGES YOU WOULD RECOMMEND INCLUDING CODIFYING ANY RULES?**

No.

