



Iowa Department of Revenue

Director: Courtney M. Kay-Decker
Hoover State Office Building
Des Moines, Iowa 50319
www.iowa.gov/tax

Sent via e-mail

July 29, 2014

Craig Johnson
Executive Director
Streamlined Sales Tax Governing Board
100 Majestic Dr., Suite 400
Westby, WI 54667

Re: 2014 Recertification

Dear Mr. Johnson:

Pursuant to Section 803 of the Streamlined Sales and Use Tax Agreement (SSUTA), this letter is being sent to initiate the recertification process for the State of Iowa.

As you know, CRIC found Iowa not out-of-compliance with the Agreement during the 2013 recertification process. The State of Iowa remains proactive in its efforts to maintain compliance with the Agreement. To that end, the State of Iowa has taken the following actions:

The Iowa Department of Revenue recently found a minor numbering issue in Iowa's statutory definition of "dietary supplement," which appears in Iowa Code section 423.3(57)(c). While the issue had no substantive impact on the definition, the Department proactively recommended legislation to ensure a complete match between Iowa law and the SSUTA. The State of Iowa acted on the Department's recommendation in its recently completed Legislative Session as the Iowa Legislature passed, and Governor Terry Branstad signed, 2014 House File 2436. Section 1 of the bill amends Iowa Code section 423.3(57)(c) by changing the definition of "dietary supplement" to conform to the SSUTA definition. You can view the enrolled bill on the Iowa Legislature's website at <http://coolice.legis.iowa.gov/linc/85/external/govbills/HF2436.pdf>.

The Iowa Department of Revenue has also initiated rulemaking to amend Iowa Administrative Code rule 701—231.4(2). The rule change will update examples of taxable candy to conform to the SSUTA, and it will have no substantive impact. The filing number is ARC 1544C. You can view the filing on the Iowa Legislature's website at <https://www.legis.iowa.gov/docs/aco/arc/1544c.pdf>. The Department expects this rule change to take effect later this year.

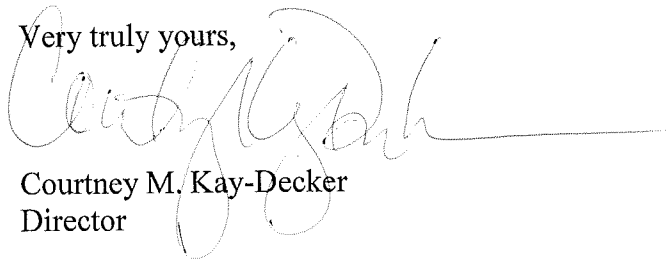
Craig Johnson

Page 2

July 29, 2014

Iowa's Certificate of Compliance and Taxability Matrix are attached and will be posted on our website effective August 1, 2014. If you have any questions, please contact Victoria Daniels or myself.

Very truly yours,

A handwritten signature in black ink, appearing to read "Courtney M. Kay-Decker", with a long horizontal line extending to the right.

Courtney M. Kay-Decker
Director