

ENVIRONMENTAL TESTING SERVICES SALES TAX EXEMPTION

Prior Law

Iowa Code section 423.2 imposes the sales tax upon “test laboratories, including mobile testing laboratories and field testing by testing laboratories, and excluding tests on humans or animals.”

New Provisions

The imposition of the sales tax on test laboratories has been revised to exclude “environmental testing services provided at a laboratory, in the field, or by a mobile testing service.” In addition, a new sales tax exemption has been created for environmental testing services and it defines the term as “the physical or chemical analysis of soil, water, wastewater, air, or solid waste performed in order to ascertain the presence of environmental contamination or degradation.”

Section Amended

Section 1 of 2014 Iowa Acts Senate File 2364 amends Section 423.2, subsection 6, paragraph a, Code 2014. Section 2 of Senate File 2364 amends Section 423.3, Code 2014 by adding new subsection 101.

Effective Date

July 1, 2015