



Sent via e-mail

August 18, 2015

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

Re: Streamlined 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 2014 recertification process. The State of Iowa remains proactive in its efforts to maintain compliance with the Agreement. To that end, in its recently completed Legislative Session, the Iowa Legislature passed, and Governor Terry Branstad signed, 2015 House File 621. The bill made the changes detailed below.

Section 1 of the bill amends Iowa Code section 423.3(57)(f)(3) by adding new paragraph subdivision (e). This new paragraph subdivision excludes "food sold that ordinarily requires additional cooking by the consumer prior to consumption" from the definition of "prepared food." This new paragraph excludes take and bake pizzas and similar items from Iowa's definition of taxable prepared foods, as allowed in Appendix C, Part II of the Streamlined Sales and Use Tax Agreement.

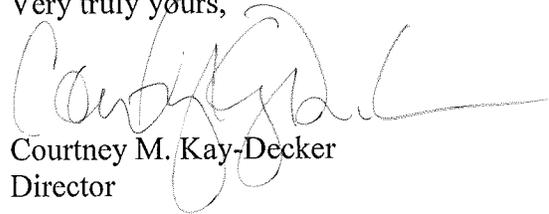
Section 2 of the bill amends Iowa Code 423.52 by adding new subsection 3. This new subsection provides liability relief to sellers and certified service providers who rely on an erroneous taxability matrix, or who rely on a prior version of the taxability matrix for at least 30 days following a change to the matrix. This relief is required, to the extent possible, under Section 328 of the Streamlined Sales and Use Tax Agreement.

You can view the enrolled 2015 House File 621 on the Iowa Legislature's website at <http://coolice.legis.iowa.gov/linc/86/external/govbills/HF621.pdf>.

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I have approved the online Certificate of Compliance for publication on August 14, 2015. Updated versions of Iowa's Certificate of Compliance and Taxability Matrix have been published on the Governing Board's website, and our website provides links to both documents on the Governing Board's website. 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 flourish extending to the right.

Courtney M. Kay-Decker
Director