

## Sales/Use/Indirect:

### Iowa: Proposed Rule Incorporates DOR Interpretations on Taxation of Digital-Based Services

*Proposed New Rule 701 – Chapter 211*, Iowa Dept. of Rev. (10/5/22). The Iowa Department of Revenue (Department) proposed a new rule that reflects its current informal guidance on legislation enacted in 2018 [see S.F. 2417 (2018) and previously issued Multistate Tax Alert for more details on this 2018 Iowa legislation], which expanded Iowa’s sales and use tax base to include a variety of digital-based services. In doing so, the Department seeks to adopt its policy interpretations into binding administrative rules. Among other services, the proposed rule addresses the taxability of information services; software as a service (SaaS); video game services and tournaments; services related to specified digital products or software sold as tangible personal property; storage of tangible or electronic files, documents, or other records; and webinars. Written comments on the proposal are due by October 25, 2022, and a related public hearing is scheduled for the same date. Please contact us with any questions.

**URL:** <https://www.legis.iowa.gov/docs/aco/bulletin/10-05-2022.pdf>

**URL:** <https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=sf2417>

**URL:** <https://www2.deloitte.com/us/en/pages/tax/articles/iowa-enacts-income-tax-and-sales-use-tax-changes.html?id=us:2em:3na:stm:awa:tax:101422&sfid=7015Y000003bKJ7QAM>

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