

## 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>	14
<b>IAC #:</b>	701	<b>Chapter/ SubChapter/ Rule(s):</b>	281	<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 statutes to help the public understand the exemptions from use tax and reduce uncertainty about what is subject to tax and what is exempt.

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

The Department determined no benefit to retaining the chapter. However, two rules will be retained and re-promulgated in other chapters that cover similar topics. Those rules that are being re-promulgated have been determined to aid the public in understanding the underlying statutes.

**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 exemptions are associated with the underlying statutes.

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

There are no costs to the agency to implement the rules beyond what 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.**

The Department has determined that the rules are no longer necessary. See below

**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 Department has determined this chapter is no longer necessary. Two rules will be re-promulgated in other chapters that more closely align with their subject matter.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or un-necessary language, including instances where rule language is duplicative of statutory language?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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The chapter contains language that is obsolete, outdated, redundant, and unnecessary. Two rules will be rephrased and amended to provide clarity and remove obsolete and unnecessary language and re-promulgated in other rule chapters where the subject matters more closely align.

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

281.1, 281.2, 281.4, 281.5, 281.7, 281.8, 281.9, 281.10, 281.11, 281.12, 281.13, 281.14

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

Rules 281.3 and 281.6 will be re-promulgated in chapters 219 and 218 respectively which align more closely with the subject matters and the language will be reworded to provide clarity and to remove obsolete and unnecessary language

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:	14
Proposed word count reduction after repeal and/or re-promulgation	3088
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	20

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

No.