

Red Tape Review Rule Report (Due: September 1, 20 24)

Department Name:	Revenue	Date:	September 1, 2024	Total Rule Count:	7
IAC #:	701	Chapter/ SubChapter/ Rule(s):	Chapter 253	Iowa Code Section Authorizing Rule:	421.14, 422.68, 423.42, and 423A.6
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PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

This chapter describes the Department’s interpretation of the underlying statute to help the public understand state and local hotel and motel taxes. These rules reduce uncertainty about how and when these taxes apply.

Is the benefit being achieved? Please provide evidence.

The Department has determined that the rules aid the public in better understanding state and local hotel and motel tax, including the applicability, collection, and remittance of the taxes and its distribution. The evidence for the benefit of the rules is demonstrated from the text of the rules themselves and the greater certainty the rules provide taxpayers.

What are the costs incurred by the public to comply with the rule?

There is no cost to comply with the rules and any costs to comply are associated with the underlying statute.

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 and enforce the rules beyond those that 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.

There are no costs to the rules themselves but the cost of inaction would be confusion about the applicability of the described taxes and the process for distribution to local governments that have chosen to impose a hotel and motel tax in their jurisdiction

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 rules have been revised where possible to remove duplicative statutory text or obsolete language. The rules that will be re-promulgated have been determined to be necessary and reworded for clarity.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language?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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Chapter 253 does contain some rules that include outdated, inconsistent, and unnecessary language, including language that is duplicative of statute.

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

253.3

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

253.1 is amended to remove obsolete and unnecessary language.
253.2 is amended to remove unnecessary and duplicative statutory language.
253.4 is amended for clarity and to remove obsolete language.
253.5 is amended for better organization and clarity and to remove unnecessary obsolete information.
253.6 is amended for clarity and better organization and to remove unnecessary, outdated, and duplicative statutory language.
253.7 is amended for clarity and to remove obsolete 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:	1
Proposed word count reduction after repeal and/or re-promulgation	460
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	11

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

No.