Red Tape Review Rule Report
(Due: September 1, 2026)

Department Name:	Revenue	**Date:**	8/31/26	**Total Rule Count:**	10
IAC #:	701	**Chapter/ SubChapter/ Rule(s):**	Chapter 307	**Iowa Code Section Authorizing Rule:**	422.16
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PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

This chapter provides explanations and examples on how those required to withhold income tax under Iowa Code section 422.16 should go about doing so.

Is the benefit being achieved? Please provide evidence.

Yes, to the extent the Department proposes to re-promulgate these rules, the Department has determined that the language that is not stricken achieves this via clear examples and straightforward explanations on how withholding should take place to ensure a fair and just system. To the extent rule language is being rescinded, the Department has determined the language is unnecessary, obsolete, or duplicative of statutory language.

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

There is no cost to comply with the rule beyond those imposed by the underlying statute.

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

There is no cost to comply with the rule beyond those inherent in the work of a tax collection agency.

Do the costs justify the benefits achieved? Please explain.

There is no cost to comply with the rule beyond those imposed by the underlying statute. The cost of inaction is potential confusion of complying with requirements to withhold income tax.

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 rescind statutory text or obsolete language. The rules that will be repromulgated have been determined to be necessary. There is no less restrictive alternative to achieve the benefit of additional certainty.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or un-necessary language, including instances where rule language is duplicative of statutory language?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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Yes, Chapter 307 contains language that is outdated, redundant of statute, or unnecessary.

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

307.7, 307.8, 307.9

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

307.1, 307.2, 307.3, 307.4, 307.5, 307.6, 307.10

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:	**3**
Proposed word count reduction after repeal and/or re-promulgation	**3,849**
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	**65**

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

No.