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

Department Name:	Revenue	**Date:**	8/31/26	**Total Rule Count:**	4
IAC #:	701	**Chapter/ SubChapter / Rule(s):**	Chapters 400, 401, 402	**Iowa Code Section Authorizing Rule:**	422.7, 422.15, 422.35
Contact Name:	Tiana Slaney	**Email:**	tiana.slaney@iowa.gov	**Phone:**	515-336-9007

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

Chapters 400, 401, and 402 provide general information for filing returns for partnerships, S corporations, and other pass-through entities to assist taxpayers in meeting the tax filing obligations.

Is the benefit being achieved? Please provide evidence.

Yes, the repromulgated rules from these chapters provide guidance to taxpayers who are required to file pass-through entity returns with additional information that is not provided in statute without which taxpayers may not meet their filing obligations.

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

None, any costs associated with the rules are from the requirements of the statute the rules are implementing.

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

None, any costs associated with the rules are from the requirements of the statute the rules are implementing.

Do the costs justify the benefits achieved? Please explain.

There are no costs associated with the rules except for any costs associated with the statutes they implement. The cost of inaction is potential confusion of complying with the reporting and filing requirements for partnerships, S corporations, and other pass-through entities.

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The chapters have been amended to remove outdated language and improve clarity. There are no less restrictive alternatives to accomplish giving adequate guidance to taxpayers so they can understand and meet their Iowa tax filing obligations for pass-through entities.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language?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]

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

Yes, chapter 401 contained outdated and unnecessary language that was removed for repromulgation.
Chapter 400 is reserved and had no rules prior to Executive Order 10.
Chapter 402 has no rules and will be proposed to contain a rule transferred from chapter 501 that was edited to remove outdated and unnecessary language.

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

401.3

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

401.1, 401.2, 401.4, 402.1 (previously 501.1(5))

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	**413 added**
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	**3 added**

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

No.