

**REVENUE DEPARTMENT[701]**

**Adopted and Filed**

Pursuant to the authority of Iowa Code sections 17A.3 and 421.17, the Department of Revenue hereby amends Chapter 224, “Telecommunications Services,” Iowa Administrative Code.

Item 1 amends paragraph 224.6(2)“b” to clarify the rule and ensure compliance with the Streamlined Sales and Use Tax Agreement. The subject matter of paragraph 224.6(2)“b” is sourcing of prepaid wireless services.

Item 2 adopts new rule 701—224.8(34A). The new rule explains the administration of the prepaid wireless service enhanced 911 surcharge and is necessary to implement 2012 Iowa Acts, Senate File 2332.

Item 3 adopts new rule 701—224.9(423). The new rule provides guidance on the sales tax exemption for central office and transmission equipment used by certain telecommunications providers. The new rule is necessary to implement Iowa Code section 423.3(47A), a phased-in exemption that began to take effect in 2006 and took full effect on July 1, 2012.

Notice of Intended Action was published in the Iowa Administrative Bulletin as **ARC 0407C** on October 17, 2012. No comments were received from the public. No changes have been made to the amendments published under Notice of Intended Action, except that citations to 2012 Iowa Acts have been converted, where appropriate, to citations to the 2013 Code of Iowa.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code sections 423.3(47A), 423.20 and 423.15 and 2012 Iowa Acts, Senate File 2332, section 10.

These amendments will become effective January 16, 2013.

EDITOR’S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [224.6(2), 224.8, 224.9] is being omitted. With the exception of the changes noted above, these amendments are identical to those published under Notice as **ARC 0407C**, IAB 10/17/12.

[Filed 11/21/12, effective 1/16/13]

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[For replacement pages for IAC, see IAC Supplement 12/12/12.]