

REVENUE DEPARTMENT[701]

Adopted and Filed

Rule making related to remittances payable to the department

The Revenue Department hereby amends Chapter 12, “Filing Returns, Payment of Tax, Penalty and Interest,” Chapter 70, “Replacement Tax and Statewide Property Tax,” Chapter 78, “Replacement Tax and Statewide Property Tax on Rate-Regulated Water Utilities,” and Chapter 82, “Cigarette Tax and Regulation of Delivery Sales of Alternative Nicotine Products or Vapor Products,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 421.14, 422.68, 422.69, 437A.21(5), 437B.17(4) and 453A.8(2).

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code sections 422.69, 437A.21(5), 437B.17(4) and 453A.8(2).

Purpose and Summary

This rule making implements statutory changes to how fees, taxes, interest, and penalties are paid and deposited with the Department. In particular, this rule making addresses a change to Iowa Code section 422.69. That section formerly required payment of fees, taxes, interest, and penalties to the Department to be paid in the form of remittances payable to the Treasurer of the State. The statute now requires that remittances be made payable to the Department. The Department is still required to transmit payments to the Treasurer of the State. This rule making reflects that statutory change in the Department’s rules.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on April 21, 2021, as **ARC 5579C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Department on May 26, 2021.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

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

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 701—7.28(17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on July 21, 2021.

The following rule-making actions are adopted:

ITEM 1. Amend rule 701—12.2(422,423) as follows:

701—12.2(422,423) Remittances.

12.2(1) The correct amount of tax collected and due shall accompany the forms prescribed by the department unless requirements for electronic transmission of remittances or deposits and related information specify otherwise. The name, address, and permit number of the sender and amount of tax for the quarterly remittance or a semimonthly or monthly deposit shall be stated unless requirements for electronic transmission of remittances or deposits and related information specify otherwise. Every return shall be signed and dated. Reporting forms and a self-addressed return envelope shall be furnished by the department to the taxpayer unless electronic transmission requirements apply; and, when feasible, the taxpayer shall use them when completing and mailing a return and remittance. All remittances shall be made payable to the ~~Treasurer of the State of Iowa~~ Department of Revenue.

12.2(2) ~~For tax periods starting on or after April 1, 1990, semimonthly~~ Semimonthly deposits and quarterly remittances of taxpayers required to make semimonthly deposits shall be made electronically in a format and by means specified ~~in~~ by the department. Deposit forms are not required to be filed when electronic transmission of deposits is done in the prescribed format by specified means. Quarterly returns shall be filed separately from the electronic transfer of remittances for taxpayers required to make semimonthly deposits. Deposits and remittances transmitted electronically are considered to have been made on the date that the deposit or remittance is added to the bank account designated by the treasurer of the state of Iowa. The filing of a return within the period prescribed by law and payment of the tax required to be shown thereon are simultaneous acts and if either condition is not met, a penalty shall be assessed.

This rule is intended to implement Iowa Code sections 422.16, 422.51, 422.52, 423.6, 423.13 and 423.14.

ITEM 2. Amend rule 701—70.17(437A) as follows:

701—70.17(437A) Payment of tax. Payment of the tax required to be shown due on the statewide property tax return shall accompany the filing of the return. All checks shall be made payable to ~~Treasurer, State of the Iowa~~ Department of Revenue. Failure to pay the tax required to be shown due on the tax return by the due date shall render the tax delinquent.

ITEM 3. Amend rule 701—78.16(437B) as follows:

701—78.16(437B) Payment of tax. Payment of the tax required to be shown due on the statewide property tax return shall accompany the filing of the return. All checks shall be made payable to ~~Treasurer, State of the Iowa~~ Department of Revenue. Failure to pay the tax required to be shown due on the tax return by the due date shall render the tax delinquent.

ITEM 4. Amend subrule 82.5(2) as follows:

82.5(2) Purchase of stamps from the department. Stamps may be purchased from the department and from authorized banks in unbroken rolls of 30,000 stamps, or other quantities authorized by the

director. The stamps may be purchased only by persons holding an unrevoked distributor's permit or an unrevoked manufacturer's permit.

When cigarette stamps are purchased from the department, orders shall be sent directly to the department on a form prescribed by and available upon request from the department. The order must be accompanied by a remittance payable to "~~Treasurer of State of Iowa~~" the Iowa Department of Revenue in the amount of the face value of the stamps less any discount as provided in rule 701—82.7(453A). The stamps shall be sent to the purchaser through the United States Postal Service by registered mail or similar delivery service at the department's expense. The purchaser may request alternate methods of transmission, but such methods shall be at the expense of the purchaser. Regardless of the method used to send the stamps, title transfers to the purchaser at the time the department delivers the stamps to the carrier.

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