

**REVENUE DEPARTMENT[701]**

**Adopted and Filed**

**Rule making related to contact information**

The Revenue Department hereby amends Chapter 25, “Challenges to Administrative Levies and Publication of Names of Debtors,” and Chapter 262, “Administration of Marijuana and Controlled Substances Stamp Tax,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code chapter 453B and sections 421.14, 421.17A and 421.17B.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code chapter 453B and sections 421.17A and 421.17B.

*Purpose and Summary*

This rule making removes an outdated mailing address for submitting challenges to administrative levy actions and replaces the address with references to electronic communication options and the Department’s website. Additionally, this rule making updates the location at which to purchase a drug tax stamp.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on December 14, 2022, as **ARC 6748C**.

One comment was received from a taxpayer asking about drug tax stamps and their function as it pertains to selling drugs. Additionally, this taxpayer asked about the offset program and debt with the Department. Finally, the taxpayer made comments about the illegality of marijuana in Iowa. No changes from the Notice have been made.

*Adoption of Rule Making*

This rule making was adopted by the Department on January 20, 2023.

*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 March 15, 2023.

The following rule-making actions are adopted:

ITEM 1. Amend rule 701—25.5(421) as follows:

**701—25.5(421) Issues that may be raised.**

**25.5(1)** The issues raised by the challenging party, which are limited to a mistake of fact, may include but are not limited to:

1. a. The challenging party has the same name as the obligor but is not the correct person.
2. b. The challenging party does not have an interest in the account that is being seized.
3. c. The amount listed in the notice to the obligor is greater than the amount actually owed.

4. **25.5(2)** The written challenge must be sent by electronic means, including email or online as indicated on the department's notice, or mailed to: Centralized Collection Facility, P.O. Box 6128, Des Moines, Iowa 50309, the central collections unit at the address found on the department's website at [tax.iowa.gov/mailing-addresses](http://tax.iowa.gov/mailing-addresses) with adequate postage.

ITEM 2. Amend **701—Chapter 25**, implementation sentence, as follows:

These rules are intended to implement Iowa Code ~~Supplement~~ sections 421.17 and 421.17A.

ITEM 3. Amend rule 701—262.2(453B) as follows:

**701—262.2(453B) Sales of stamps.** The director or the director's authorized representative shall offer for sale to members of the public, during normal business hours, stamps which are capable of being affixed to taxable substances. The stamps shall be sold at the Hoover State Office Building, ~~fourth floor~~ First Floor, Des Moines, Iowa, and at other locations as may be designated by the director.

The director shall offer for sale four different stamps: (1) a stamp for a substance consisting of or containing marijuana, (2) a stamp for taxable substances other than marijuana which are sold by weight, (3) a stamp for taxable substances other than marijuana which are not sold by weight, and (4) a stamp for each unprocessed marijuana plant. Each package or container which contains a taxable substance must have a stamp affixed to it. The stamps will be issued in denominations requested by the purchaser so long as the minimum purchase price for a single stamp purchase transaction is \$215 or more. In addition, the denomination of individual stamps cannot be less than the price for ten dosage units, multiples of ten dosage units, one whole gram, or multiples of one gram even if the stamp will be affixed to a package containing less than ten dosage units or multiples thereof, or only a portion of one gram or multiples thereof.

The director will accept payment for stamps in the form of cash, cashier's check, or money order. Payment may not be made by personal check.

The stamps are valid for a period of six months from the date of issuance, and the stamps shall contain a statement that the stamps expire after six months from the date of issue. A stamp is "unused" and expires if it has not been affixed to taxable substances within six months of the date of issue.

Stamps may be purchased in person or by mail. Persons (including dealers) purchasing stamps are not required to provide identification such as their name or address when purchasing stamps. Neither the director nor any employee of the department shall reveal any information obtained from a stamp purchaser, nor shall information obtained from a stamp purchaser in the course of purchasing stamps be used against the stamp purchaser in any criminal proceeding, unless the information is independently

obtained, except in connection with a proceeding involving taxes due under this chapter from the stamp purchaser against whom a tax was assessed.

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 2/8/23.