

TRANSPORTATION DEPARTMENT[761]

Regulatory Analysis

Notice of Intended Action to be published: 761—subrule 505.2(2)
“International Motor Fuel Licenses and Permits”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 452A.56

State or federal law(s) implemented by the rulemaking: Iowa Code section 452A.56

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

June 23, 2026
10:30 to 11 a.m.

[Microsoft Teams](#)
Or dial: 515.817.6093
Conference ID: 421 788 948#

Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis, which must be received by the Department of Transportation no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Sara Siedsma
6310 SE Convenience
Boulevard
Ankeny, Iowa 50021
Email: sara.siedsma@iowadot.us

Purpose and Summary

The purpose of the proposed amendment is to adopt the most recent version of the International Fuel Tax Agreement (IFTA) effective January 2026. Iowa Code section 452A.56 authorizes the Department’s membership to and implementation of the agreement for the collection and refund of interstate motor fuel tax. Changes made in the 2026 update include adding new definitions of “kilowatt hour” and “volume,” both of which are intended to further clarify measurement units for fuel taxation and reporting.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**
 - **Classes of persons that will bear the costs of the proposed rulemaking:**
There are no costs or fees associated with this proposed amendment.
 - **Classes of persons that will benefit from the proposed rulemaking:**
Persons seeking to obtain an IFTA fuel license or permit will benefit from having the rule refer to the most recent version of the IFTA agreement.
2. **Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**
 - **Quantitative description of impact:**

There are no quantitative impacts to updating the reference to the most recent version of the IFTA agreement.

- **Qualitative description of impact:**

There are no qualitative impacts to updating the reference to the most recent version of the IFTA agreement.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

There are no implementation or enforcement costs because of the proposed amendment.

- **Anticipated effect on State revenues:**

There are no anticipated effects on State revenues because of the proposed amendment.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

There is no benefit of inaction. Iowa Code section 452A.56 authorizes the Department's membership to and implementation of the IFTA agreement for the collection and refund of interstate motor fuel tax.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

There are no less costly or less intrusive methods to achieve the purpose of the proposed amendment.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

The Department did not consider alternatives for the proposed rulemaking.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

Not applicable.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.

- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.

- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.

- Establish performance standards to replace design or operational standards in the rulemaking for small business.

- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

There is no small business impact from the proposed amendment.

Text of Proposed Rulemaking

ITEM 1. Amend subrule 505.2(2) as follows:

505.2(2) *Organizational data.* The motor vehicle division is authorized pursuant to Iowa Code chapter 452A to:

- Issue fuel licenses or temporary fuel permits.
- Compute and collect interstate motor fuel taxes.
- Refund overpayments of interstate fuel taxes.

d. Administer agreements with other jurisdictions for the collection and refund of interstate motor fuel tax. Pursuant to Iowa Code section 452A.56, the department has adopted and incorporates into this chapter the IFTA effective January ~~2025~~ 2026. IFTA governing documents do not create rights for the taxpayer.