

**423.46 Rate and base changes — liability for failure to collect.**

1. The department shall make a reasonable effort to provide sellers with as much advance notice as practicable of a rate change and to notify sellers of legislative changes in the tax base and amendments to sales and use tax rules. Except as provided in [subsection 2](#), a seller shall not be relieved of the obligation to collect sales or use taxes for this state by either a failure to receive such notice or by a failure of the state to provide notice.

2. A seller will be relieved of liability for failing to collect sales or use taxes for this state at the new rate under all of the following conditions and to the following extent:

a. The department fails to provide for at least thirty days between the enactment of the statute providing for a rate change and the effective date of such rate change.

b. The seller continues to collect sales or use taxes at the rate in effect immediately prior to the rate change.

c. The erroneous collection described in paragraph “b” does not continue for more than thirty days after the effective date of the rate change.

3. The relief from the obligation to collect sales or use taxes described in [subsection 2](#) shall not apply if a seller fraudulently fails to collect tax at the new rate or if a seller has solicited purchasers on the basis of the rate in effect immediately prior to the rate change.

[2003 Acts, 1st Ex, ch 2, §139, 205; 2010 Acts, ch 1145, §11, 17](#)

Referred to in [§99G.30A, §423.57, §423B.6, §423C.4](#)