

**423D.3 Exemptions.**

There is exempted from tax imposed by [this chapter](#) the following:

1. The sales price on the lease or rental of equipment to contractors for direct and primary use in construction.
2. The sales price or purchase price of equipment exempt from the equipment tax as provided in [section 29C.24](#).

[2005 Acts, ch 140, §35](#); [2008 Acts, ch 1184, §60](#); [2014 Acts, ch 1093, §24 – 26](#); [2016 Acts, ch 1095, §12, 14](#)

2014 amendment takes effect April 10, 2014, and applies retroactively to July 1, 2008, for all sales or uses of equipment on or after that date; [2014 Acts, ch 1093, §25, 26](#)