

423.40 Penalties — offenses — limitation.

1. In addition to the sales or use tax or additional sales or use tax, the taxpayer shall pay a penalty as provided in [section 421.27](#). The taxpayer shall also pay interest on the sales or use tax or additional sales or use tax at the rate in effect under [section 421.7](#) for each month counting each fraction of a month as an entire month, computed from the date the return was required to be filed. The penalty and interest shall be paid to the department and disposed of in the same manner as other receipts under [this subchapter](#). Unpaid penalties and interest may be enforced in the same manner as the taxes imposed by [this chapter](#).

2. *a.* Any person who knowingly sells tangible personal property, specified digital products, tickets or admissions to places of amusement and athletic events, or gas, water, electricity, or communication service at retail, or engages in the furnishing of services enumerated in [section 423.2](#), in this state without procuring a permit to collect tax, as provided in [section 423.36](#), or who violates [section 423.24](#) and the officers of any corporation who so act are guilty of a serious misdemeanor.

b. A person who knowingly sells tangible personal property, specified digital products, tickets or admissions to places of amusement and athletic events, or gas, water, electricity, or communication service at retail, or engages in the furnishing of services enumerated in [section 423.2](#), in this state after the person's sales or use tax permit has been revoked and before it has been restored as provided in [section 423.36, subsection 6](#), and the officers of any corporation who so act are guilty of an aggravated misdemeanor.

3. A person who willfully attempts in any manner to evade any tax imposed by [this chapter](#) or the payment of the tax or a person who makes or causes to be made a false or fraudulent return with intent to evade any tax imposed by [subchapter II](#) or [III](#) or the payment of the tax is guilty of a class "D" felony.

4. The certificate of the director to the effect that a tax has not been paid, that a return has not been filed, or that information has not been supplied pursuant to the provisions of [this subchapter](#) shall be prima facie evidence thereof.

5. A person required to pay sales or use tax, or to make, sign, or file a return or supplemental return, who willfully makes a false or fraudulent return, or willfully fails to pay at least ninety percent of the tax or willfully fails to make, sign, or file the return, at the time required by law, is guilty of a fraudulent practice.

6. A prosecution for an offense specified in [this section](#) shall be commenced within six years after its commission.

[2003 Acts, 1st Ex, ch 2, §133, 205; 2018 Acts, ch 1161, §220, 229; 2022 Acts, ch 1138, §21](#)

Referred to in [§99G.30A, 321.105A, 423.26, 423.33, 423.45, 423.57, 423A.6, 423B.6, 423C.4, 423D.4, 423G.5](#)

Subsections 1, 2, 3, and 5 amended