

**203D.3A Indemnity fees — collection of remitted participation fees and per-bushel fees.**

The department shall collect indemnity fees, including participation fees and per-bushel fees as provided in [this section](#), if imposed by the board pursuant to [section 203D.5](#), at rates determined by the board as provided in that section. A licensee shall remit indemnity fees and forms to the department as required by the department.

1. *a.* A person who applies for the issuance of a new license as a grain dealer pursuant to [section 203.5](#) or a warehouse operator pursuant to [sections 203C.7](#) and [203C.33](#) shall pay the department an initial participation fee as part of the application.

(1) In calculating the amount of the initial participation fee, an applicant for a new license shall be deemed a licensee paying the full annual amount of the participation fee owing on the licensee's first anniversary date. The department must be satisfied that the applicant is calculating the amount due in good faith and using the best information available.

(a) For a licensed grain dealer, the anniversary date is the last date to apply for the renewal of the grain dealer's license before the license expires as provided in [section 203.5](#).

(b) For a licensed warehouse operator, the anniversary date is the last date to apply for the renewal of the warehouse operator's license before the license expires as provided in [section 203C.37](#).

(2) If the department issues the license, the licensee shall recalculate the participation fee when making a payment on the licensee's first installment date as provided in paragraph "b". The licensee may notify the department of any overpayment and shall notify the department of any underpayment by the licensee's first installment date in a manner and according to procedures required by the department. The department shall refund any overpayment to the licensee and the licensee shall pay any additional amount resulting from an underpayment.

*b.* A licensee shall remit a participation fee in one installment as part of a license renewal application in the same manner provided in paragraph "a". However, the licensee may elect to remit the participation fee on four successive installment dates, with each installment date occurring in the month succeeding the last assessment quarter as provided in [section 203D.3](#), on a date determined by rules adopted by the department. The licensee shall remit twenty-five percent of the total participation fee assessed on each installment date.

*c.* A licensee is delinquent if the licensee fails to submit the payment when due or if, upon examination, an underpayment of the fee is found by the department.

*d.* A licensee shall not pass on the cost of a participation fee to sellers. The department may suspend or revoke the license of a grain dealer for passing on the cost, as provided in [chapter 203](#).

2. *a.* A licensed grain dealer shall remit a per-bushel fee on all purchased grain.

*b.* The licensed grain dealer shall remit the per-bushel fee to the department on a quarterly basis in the manner and using a form prescribed by the department. The licensed grain dealer shall remit the per-bushel fee and form on four successive installment dates, with each installment date occurring in the month succeeding the last assessment quarter as provided in [section 203D.3](#), on December 15, March 15, June 15, and September 15.

*c.* A licensed grain dealer is delinquent if the grain dealer fails to remit the full quarterly per-bushel fee and form when due or if, upon examination, an underpayment of the fee is found by the department. The licensed grain dealer is subject to a penalty of ten dollars for each day the licensed grain dealer is delinquent or an amount equal to the amount of the deficiency, whichever is less. However, a licensed grain dealer who fails to remit the full quarterly per-bushel fee or form when due is subject to a minimum payment of ten dollars. The department may establish and apply a margin of error in determining whether a licensed grain dealer is delinquent.

*d.* The per-bushel fee shall not be collected more than once on each bushel of grain. A licensed grain dealer may pass on the cost of a per-bushel fee to the sellers by an itemized discount noted on the settlement sheet. However, if the per-bushel fee is not in effect, a licensed grain dealer shall not make such a discount on the purchase of grain. A discount

made nominally for the per-bushel fee while the per-bushel fee is not in effect is grounds for a license suspension or revocation under [chapter 203](#).

[2010 Acts, ch 1082, §8](#); [2015 Acts, ch 103, §13](#); [2023 Acts, ch 154, §16, 19](#); [2025 Acts, ch 105, §13 – 16](#)

Referred to in [§203.5](#), [203C.37](#), [203D.1](#), [203D.3](#), [203D.5](#)

A grain dealer licensed under [chapter 203](#) who is a party to a credit-sale contract shall owe any indemnity fees assessed on grain purchased under the credit-sale contract beginning on September 1, 2025, pursuant to this section; [2025 Acts, ch 105, §24](#)

Unnumbered paragraph 1 amended

Subsection 1, paragraph a, subparagraph (1) amended

Subsection 1, paragraph b amended

Subsection 2 amended