

CHAPTER 276
FACILITATING BUSINESS RAPID RESPONSE TO STATE-DECLARED DISASTERS

[Prior to 9/7/22, see Revenue Department[701] Ch 242]

701—276.1(29C) Purpose. The Iowa department of revenue, the Iowa department of homeland security and emergency management and the secretary of state are authorized and tasked by the legislature to jointly administer and oversee mutual aid among the political subdivisions of Iowa, other states and the federal government and to ensure the state government and its departments and agencies facilitate the rapid response of businesses and workers in the state and other states to a disaster.

[ARC 3085C, IAB 5/24/17, effective 6/28/17; ARC 6508C, IAB 9/7/22, effective 10/12/22]

701—276.2(29C) Definitions. For purposes of this chapter, the definitions from Iowa Code section 29C.24 are adopted by reference.

[ARC 3085C, IAB 5/24/17, effective 6/28/17; ARC 6508C, IAB 9/7/22, effective 10/12/22]

701—276.3(29C) Disaster or emergency-related work.

276.3(1) Out-of-state business. On or after January 1, 2016, an out-of-state business conducting operations within the state solely for the purpose of performing disaster or emergency-related work during a disaster response period does not establish a level of presence that would subject the out-of-state business to any of the following:

- a. The requirement to collect and remit any tax imposed on another person.
- b. The requirement to file any related tax return or obtain any related tax permit.
- c. Income taxes imposed under Iowa Code chapter 422, divisions II and III, including the requirement to withhold and remit income tax from out-of-state employees under Iowa Code section 422.16 or to be included in a consolidated return under Iowa Code section 422.37.
- d. Allocation and apportionment of net income of the out-of-state business under Iowa Code section 422.8 or 422.33 to Iowa.
- e. Use tax under Iowa Code chapter 423 on tangible personal property purchased outside Iowa and brought into Iowa pursuant to this subrule if the tangible personal property does not remain in Iowa after the disaster response period ends.
- f. Equipment tax under Iowa Code chapter 423D on equipment purchased outside Iowa and brought into Iowa pursuant to this subrule if the equipment does not stay in Iowa after the disaster response period ends.
- g. Assessment of property taxes by the department under Iowa Code sections 428.1 through 428.26 and 428.29, or Iowa Code chapters 433, 434, 435, and 437 through 438, or by a local assessor under another provision of law, on property brought into the state pursuant to this subrule if the property does not remain in Iowa after the disaster response period ends.

276.3(2) Out-of-state employee. On or after January 1, 2016, the performance of disaster or emergency-related work during a disaster response period by an out-of-state employee is not a basis to determine that the out-of-state employee has established residency or a level of presence in Iowa that would subject the out-of-state employee to any of the following:

- a. The requirement to complete or obtain any state or local registration, license, or similar authorization as a condition of doing business in Iowa or engaging in an occupation in Iowa, or to pay any related fee.
- b. The income tax imposed under Iowa Code chapter 422, division II, the requirement to file tax returns under Iowa Code section 422.13 and the requirement to be subject to withholding under Iowa Code section 422.16. The requirement to file any related tax return or obtain any related tax permit.
- c. Allocation and apportionment of net income of the out-of-state employee under Iowa Code section 422.8 to Iowa shall not increase due to work performed by the out-of-state employee under this subrule.
- d. Use tax under Iowa Code chapter 423 on tangible personal property purchased outside Iowa and used in Iowa pursuant to this subrule if the tangible personal property does not remain in Iowa after the disaster response period ends.

e. Equipment tax under Iowa Code chapter 423D on equipment purchased outside Iowa and used in Iowa pursuant to this subrule if the equipment does not stay in Iowa after the disaster response period ends.

f. Assessment of property taxes by the department under Iowa Code sections 428.1 through 428.26 and 428.29, or Iowa Code chapters 433, 434, 435, and 437 through 438, or by a local assessor under another provision of law, on property brought into the state pursuant to this subrule if the property does not remain in Iowa after the disaster response period ends.

276.3(3) *After the disaster response period ends.* On or after January 1, 2016, an out-of-state business or out-of-state employee remaining in Iowa after the disaster response period for which the disaster or emergency-related work was performed is responsible for all taxes, fees, registration, filing or other requirements the out-of-state business or out-of-state employee would have been subject to but for Iowa Code section 29C.24.

[ARC 3085C, IAB 5/24/17, effective 6/28/17; ARC 6508C, IAB 9/7/22, effective 10/12/22]

These rules are intended to implement Iowa Code sections 29C.24, 422.8, 422.13, 422.16, 422.33, 422.36, 422.37, 423.6, 423.33, 423.58, and 427.1.

[Filed ARC 3085C (Notice ARC 2942C, IAB 2/15/17), IAB 5/24/17, effective 6/28/17]

[Filed ARC 6508C (Notice ARC 6400C, IAB 7/13/22), IAB 9/7/22, effective 10/12/22]