

CHAPTER 262
ELECTRIC FUEL EXCISE TAX

Chapter rescission date pursuant to Iowa Code section 17A.7: 4/23/30

701—262.1(452A) Definitions and applicability.

262.1(1) Definitions. For the purpose of this chapter, terms have the same meaning as provided in Iowa Code sections 452A.2 and 452A.40 and rule 701—259.1(452A).

262.1(2) Applicability of other rules. All rules in 701—Chapters 259 and 260 apply if not specifically stated in this chapter.

This rule is intended to implement Iowa Code section 452A.41.

[ARC 9043C, IAB 3/19/25, effective 4/23/25]

701—262.2(452A) Tax imposed. Electric fuel excise tax must be remitted to the department by a license holder regardless of whether the licensed electric fuel dealer or licensed electric fuel user sells the fuel or gives the fuel to customers for no charge. This tax shall be calculated based on the kilowatt-hours of electric fuel delivered.

This rule is intended to implement Iowa Code section 452A.41.

[ARC 9043C, IAB 3/19/25, effective 4/23/25]

701—262.3(452A) Licensing.

262.3(1) License requirements.

a. License required. A person shall not sell or dispense electric fuel within this state at a location other than a residence or otherwise act as a licensed electric fuel dealer or user without a license. The holder of an electric fuel user's license is authorized to dispense electric fuel, measured in kilowatt-hours, into the batteries or other energy storage devices of electric motor vehicles owned or controlled by the holder.

b. No license required for residential charging. A person may dispense electric fuel at a residence without a license. "Residence" is defined in Iowa Code section 452A.40. For purposes of this rule, "residence" includes apartment buildings or other multiresidential facilities and houses regardless of whether the owner lives in the house. "Residence" does not include hotels, including extended-stay hotels, motels, or other facilities rented to transient guests.

EXAMPLE 1: Hotel A owns and operates an electric fuel charging station in its parking lot and offers electric fuel to its guests at no charge. Hotel A also owns an electric vehicle it uses as a shuttle for its guests and charges the vehicle at its charging station. Hotel A must obtain an electric fuel dealer's license because it dispenses fuel to customers as well as an electric fuel user's license because it charges its own vehicle at its charging station.

EXAMPLE 2: Hotel B hosts an electric fuel charging station in its parking lot and offers electric fuel to its guests for a fee. Hotel B owns an electric vehicle it uses as a shuttle for its guests and charges the vehicle at the charging station in its parking lot. The charging station in Hotel B's parking lot is owned by Station Retailer C. Station Retailer C must obtain an electric fuel dealer's license. Hotel B does not need to obtain an electric fuel license.

EXAMPLE 3: Homeowner D lists Homeowner D's house on a short-term home rental online platform. Homeowner D has an electric fuel charging station installed in the garage attached to the house. Guest E agrees to rent Homeowner D's house for a week. Guest E charges an electric vehicle using Homeowner D's charging station. Homeowner D does not need to obtain an electric fuel license.

EXAMPLE 4: Person F owns ten houses that each have electric fuel charging stations installed. Person F only resides in one of the houses and uses the other nine as rental properties. Person F does not need to obtain an electric fuel dealer license for any of the ten houses Person F owns.

EXAMPLE 5: Person G operates a motor carrier business as a sole proprietor. Person G owns an electric vehicle and uses the electric vehicle for the business. Person G operates the business from Person G's

residence and charges the electric vehicle at that residence. Because Person G charges the electric vehicle at a residence, Person G does not need to obtain an electric fuel user license.

c. No license required for entities only dispensing nontaxable electric fuel. A person who only sells or dispenses electric fuel for which an exemption or refund may be claimed is not required to obtain a license to dispense such fuel.

EXAMPLE 1: Utility A is a municipal utility, wholly controlled by a municipality in Iowa. Utility A owns electric vehicle charging stations and only charges its own fleet of vehicles or other municipally owned vehicles at the charging stations. Utility A does not need an electric fuel user license since such sale or dispensing of electric fuel is not subject to tax pursuant to Iowa Code section 452A.17(1)“a”(3).

EXAMPLE 2: Utility B is a municipal utility, wholly controlled by a municipality in Iowa. Utility B owns electric vehicle charging stations where it charges its own fleet of vehicles. Utility B also allows individuals or private businesses to charge electric vehicles at its charging stations. Because Utility B is selling or dispensing fuel for nonpublic purposes when individuals or private businesses use its charging stations, Utility B must obtain an electric fuel dealer license.

262.3(2) License applications. Applications for a license must be filed electronically via GovConnectIowa and must be complete with all information required under Iowa Code section 452A.42(2). Applications must indicate the date on which the applicant began or plans to begin selling or dispensing electric fuel.

262.3(3) Electric fuel users. An electric fuel user’s license does not grant authority to the holder of the license to sell or dispense electric fuel to consumers. A person wishing to sell or dispense fuel for vehicles the person owns or controls as well as to a consumer must obtain both an electric fuel user’s license and an electric fuel dealer’s license for each location from which electric fuel will be sold or dispensed.

262.3(4) No fee imposed. There is no fee to apply for or hold a license to sell or dispense electric fuel.

262.3(5) License for each place of business or location. A license is required for each separate place of business or location where electric fuel is placed into the battery or other storage device of an electric vehicle.

262.3(6) Denial of license application. The department may deny a license for any of the reasons provided in Iowa Code section 452A.42(4).

262.3(7) Bonding procedures. Existing license holders may be required to post a bond or security when they have had two or more delinquencies in remitting the electric fuel tax or filing returns timely during the past 12 months. The bond or security will be an amount sufficient to cover 12 months’ electric fuel tax liability or \$500, whichever is greater. The simultaneous late filing of the return and late payment of the tax will count as one delinquency. However, the late filing of the return or late payment of the tax will not count as a delinquency if the license holder can satisfy one of the penalty waiver conditions set forth in Iowa Code section 421.27. More information regarding waiver of bond is available in 701—paragraph 259.21(1)“e.”

This rule is intended to implement Iowa Code sections 452A.17 and 452A.42.

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701—262.4(452A) Filing of returns and payment of tax.

262.4(1) Required information on returns. Licensed dealers and users of electric fuel must file with the department a biannual electric fuel excise tax return. For each location where electric fuel is placed into the battery or other storage device of an electric vehicle, the return must include the following information:

- a.* The name and license number of the entity that owns the charging facility.
- b.* In the case of a sole proprietorship, the individual owner’s name.
- c.* In the case of a partnership, the names of all partners.
- d.* The address of the location.
- e.* Total number of kilowatt-hours delivered or placed into the battery or other storage device of an electric vehicle.

262.4(2) Return and payment due date. The electric fuel excise tax return must be filed with the department no later than the last date of the month following the close of the tax periods prescribed in Iowa

Code section 452A.41. The return must be accompanied by remittance of the tax due for the period of the return.

262.4(3) *Electronic filing required.* Returns must be filed and payments must be remitted electronically through govconnect.iowa.gov.

262.4(4) *Consolidated return.* A license holder that holds more than one electric fuel license must file one consolidated return reporting sales made at all locations for which a license is held.

262.4(5) *International Fuel Tax Agreement returns not impacted.* The electric fuel excise tax return is separate and independent from the tax returns required under the International Fuel Tax Agreement.

This rule is intended to implement Iowa Code section 452A.41.

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701—262.5(452A) Charging station verification and testing.

262.5(1) *Reporting of kilowatt-hours.*

a. Licensed dealers and users may rely upon the following methods to determine kilowatt-hours sold for reporting on a return:

- (1) Electric meters that measure only electricity sold as electric fuel.
- (2) Software included in a charging station that tracks kilowatt-hours that flow through the station.

b. If neither subparagraph 262.5(1)“a”(1) or 262.5(1)“a”(2) is available, prior to filing any returns, licensed dealers and users shall contact the department for approval of a method to calculate electricity used as electric fuel as determined by an electricity study.

262.5(2) *Testing of charging stations.* The department of agriculture and land stewardship tests all charging stations owned by licensed dealers and users pursuant to standards set forth in Iowa Code section 452A.41. The department of agriculture and land stewardship will report to the department any charging station that is not compliant with those standards.

This rule is intended to implement Iowa Code section 452A.41.

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701—262.6(452A) Refunds.

262.6(1) *Filing of refund claim.* Taxpayers seeking to claim a refund of electric fuel tax must obtain a refund permit pursuant to Iowa Code section 452A.44. Because returns will be filed and tax paid on a biannual basis, refund claims may be filed and will only be processed on a biannual basis after the tax period for which the refund is sought has closed.

262.6(2) *Sales tax.* Electric fuel used in an exempt manner may be subject to sales tax. Rule 701—260.13(452A) contains more information regarding reductions in refunds due to the applicability of sales or use tax on exempt electric fuel sales.

262.6(3) *International Fuel Tax Agreement refunds not impacted.* This refund process is separate and independent from any refund process authorized under 761—Chapter 505 related to the International Fuel Tax Agreement.

This rule is intended to implement Iowa Code section 452A.44.

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701—262.7(452A) Exemption certificates.

262.7(1) If electric fuel is sold or dispensed for a nontaxable purpose, the purchaser may complete and provide an exemption certificate produced by the department to the license holder. The certificate is to be retained by the license holder consistent with Iowa Code section 452A.43.

262.7(2) The exemption certificate must include but not be limited to the following information:

- a. The date.
- b. The license holder’s name.
- c. The license holder’s electric fuel dealer or electric fuel user license number applicable to the sale.
- d. The invoice number covering the fuel sold if it is sold by an electric fuel dealer.
- e. An indication of the use to which the fuel will be put.
- f. The name, address, and signature of the purchaser.

This rule is intended to implement Iowa Code sections 452A.17 and 452A.43.

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