

CHAPTER 4  
DECLARATORY ORDERS

Chapter rescission date pursuant to Iowa Code section 17A.7: 3/26/30

**701—4.1(99G,123,421,17A) Applicability and scope of rules.** These rules implement the Iowa administrative procedure Act and aid in the effective and efficient administration and enforcement of the tax laws of this state and other activities of the department. These rules govern declaratory orders involving all areas within the department’s jurisdiction. The rules in this chapter apply to all declaratory orders pending or commenced on or after their effective date. 701—Chapters 6 and 7 contain rules on contested cases within the department’s jurisdiction. 701—Chapter 3 contains rules on rulemaking and rule waivers for all matters within the department’s jurisdiction.

This rule is intended to implement Iowa Code chapter 17A.

[ARC 8944C, IAB 2/19/25, effective 3/26/25]

**701—4.2(99G,123,421,17A) Definitions.** These definitions and the definitions provided in Iowa Code chapter 17A apply to this chapter unless the text states otherwise:

“*Declaratory order*” means an order issued pursuant to Iowa Code section 17A.9 and these rules.

“*Department*” or “*IDR*” means the Iowa department of revenue.

“*Director*” means the director of the department or the director’s designee.

“*Entity*” means any person other than an individual or sole proprietorship.

“*GovConnectIowa*” means the e-services portal of the department.

“*Intervene*” means to file with the department a petition requesting that the petitioner be allowed to intervene in the proceedings for a declaratory order currently under the department’s consideration.

“*Issuance*” means the date specified in the decision or order, the date of mailing of a decision, or order or date of delivery of the decision or order if service is by other means.

“*Person*” means the same as defined in Iowa Code section 17A.2. “Public or private organization of any character or any other person covered by the Iowa administrative procedure Act other than an agency” as used in that definition includes estates, trusts, or fiduciaries.

“*Petition*” means an application for declaratory order or request to intervene in a declaratory order under consideration.

This rule is intended to implement Iowa Code chapter 17A.

[ARC 8944C, IAB 2/19/25, effective 3/26/25]

**701—4.3(99G,123,421,17A) How to submit declaratory orders or related documents; service.** A person shall submit declaratory orders and related documents in accordance with 701—7.3(17A).

This rule is intended to implement Iowa Code chapter 17A.

[ARC 8944C, IAB 2/19/25, effective 3/26/25]

**701—4.4(99G,123,421,17A) Time requirements for filings.** Time filing procedures are set forth in rule 701—7.4(17A).

This rule is intended to implement Iowa Code chapter 17A.

[ARC 8944C, IAB 2/19/25, effective 3/26/25]

**701—4.5(99G,123,421,17A) Form and style of documents.** Requirements for filings are set forth in rule 701—7.5(17A).

This rule is intended to implement Iowa Code chapters 17A and 554D and sections 421.17 and 421.27A.

[ARC 8944C, IAB 2/19/25, effective 3/26/25]

**701—4.6(99G,123,421,17A) Docket.** Every matter coming within the purview of this chapter is assigned a docket number that is the official identification number of the matter. The parties will be notified of the

docket number. The number will be placed by the parties on all documents thereafter filed in the proceeding.

This rule is intended to implement Iowa Code chapter 17A.  
[ARC 8944C, IAB 2/19/25, effective 3/26/25]

**701—4.7(99G,123,421,17A) Declaratory order—in general.** Any oral or written advice or opinion rendered to members of the public by department personnel not pursuant to a petition for declaratory order is not binding upon the department.

**4.7(1) Filing a petition for declaratory order.**

a. *When a petition is considered filed.* A petition is deemed filed when it is received by the department as described in rule 701—7.4(17A). The department shall provide the petitioner with a file-stamped copy of the petition if the petitioner provides the department with an extra copy for this purpose.

b. *Department forms.* A petition for declaratory order may be filed using the form available on GovConnectIowa. Alternatively, a petition for declaratory order may be filed using the form or the GovConnectIowa petition link found on the department’s website, [revenue.iowa.gov](http://revenue.iowa.gov).

c. *Manually created petitions.*

(1) Persons who do not use the filing methods outlined in paragraph 4.7(1)“b” shall use the following format to submit a petition for declaratory order:

DEPARTMENT OF REVENUE

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Petition by (Name of Petitioner)	*	PETITION FOR
for a Declaratory Order on (Cite	*	DECLARATORY ORDER
provisions of law involved).	*	Docket No. _____
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- (2) The petition must provide the following information:
1. A clear and concise statement of all relevant facts on which the order is requested;
  2. A citation and the relevant language of the specific statutes, rules, policies, decisions, or orders, the applicability of which is questioned, and any other relevant law;
  3. The questions the petitioner wants answered, stated clearly and concisely;
  4. The answers to the questions desired by the petitioner and a summary of the reasons urged by the petitioner in support of those answers;
  5. The reasons for requesting the declaratory order and disclosure of the petitioner’s interest in the outcome;
  6. A statement indicating whether the petitioner is currently a party to another proceeding involving the questions at issue and whether, to the petitioner’s knowledge, those questions have been decided by, are pending determination by, or are under investigation by any governmental entity;
  7. The names and addresses of other persons, or a description of any class of persons, known by the petitioner to be affected by, or interested in, the questions presented in the petition;
  8. Any request by the petitioner for a meeting provided for by this rule;
  9. Whether the petitioner is presently under audit or investigation by the department; and
  10. The signature of the petitioner or the petitioner’s representative and date of signature. It must also include the name, mailing address, and telephone number of the petitioner and of the petitioner’s representative and a statement indicating the person to whom communications concerning the petition should be directed. Petitions submitted by a representative must have a valid IDR power of attorney form or representative certification form, as applicable in accordance with rule 701—8.8(17A), on file with the department.
- d. *Standing.* The petitioner must be potentially aggrieved or adversely affected by the department action or failure to act.
- e. *Associations.* An association or a representative group is not considered to be an entity qualifying for filing a petition requesting a declaratory order on behalf of all of the association or group members. Each member of an association may not be similarly situated or represented by the factual scenario set forth in such a petition.

4.7(2) *Notice of petition.* Within 15 days after receipt of a petition for a declaratory order, the department shall give notice of the petition to all persons not served by the petitioner to whom notice is required by any provision of law. The department may also give notice to any other persons.

4.7(3) *Intervention.*

a. *Nondiscretionary intervention.* Persons who qualify under any applicable provision of law as an intervenor and who file a petition for intervention within 20 days of the filing of a petition for declaratory order shall be allowed to intervene in a proceeding for a declaratory order.

b. *Discretionary intervention.* Any person who files a petition for intervention at any time prior to the issuance of an order may be allowed to intervene in a proceeding for a declaratory order at the discretion of the department.

c. *Filing and form of petition for intervention.* A petition for intervention shall be filed in accordance with 701—paragraph 7.3(1) “b,” “c,” or “d.” Such a petition is deemed filed when it is received in accordance with rule 701—7.4(17A). The department will provide the petitioner with a file-stamped copy of the petition for intervention if the petitioner provides an extra copy for this purpose. A petition for intervention must be typewritten or legibly handwritten in ink and must substantially conform to the following format:

DEPARTMENT OF REVENUE

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Petition by (Name of Original	*	PETITION FOR
Petitioner) for a Declaratory Order	*	INTERVENTION
on (Cite provisions of law cited in	*	Docket No. _____
original Petition).	*	

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- d. *Contents.* The petition for intervention must provide the following information:
- (1) Facts supporting the intervenor’s standing and qualifications for intervention;
  - (2) The answers urged by the intervenor to the question or questions presented and a summary of the reasons urged in support of those answers;
  - (3) Reasons for requesting intervention and disclosure of the intervenor’s interest in the outcome;
  - (4) A statement indicating whether the intervenor is currently a party to any proceeding involving the questions at issue and whether, to the intervenor’s knowledge, those questions have been decided by, are pending determination by, or are under investigation by any governmental entity;
  - (5) The names and addresses of any additional persons, or a description of any additional class of persons, known by the intervenor to be affected by, or interested in, the questions presented;
  - (6) Whether the intervenor is presently under audit or investigation by the department;
  - (7) A statement that the intervenor understands that if the department allows the intervention, the intervenor will be bound by the declaratory order; and
  - (8) The signature of the intervenor or the intervenor’s representative and date of signature. It must also include the name, mailing address, and telephone number of the intervenor and of the intervenor’s representative and a statement indicating the person to whom communications should be directed. Petitions for intervention submitted by a representative must have a valid IDR power of attorney form or representative certification form, as applicable in accordance with rule 701—8.8(17A), on file with the department.

e. *Standing.* For a petition for intervention to be allowed, the petitioner must have consented to be bound by the declaratory order and the petitioner must have standing regarding the issues raised in the petition for declaratory order. Facts described in the petition for intervention must be those supporting intervention, not related to the substantive issues in the petition. The petition for intervention must not correct facts that are in the petition for declaratory order or raise any additional facts. To have standing, the intervenor must show that the intervenor is potentially aggrieved or adversely affected by the department action or failure to act on the interest at stake in the petition for declaratory order.

f. *Factually distinct matters.* If a party seeks to have an issue determined by intervening in a declaratory order proceeding, but the facts are different from those in a petition for declaratory order that is currently under consideration by the director, the interested party should not petition as an intervenor in the

petition for declaratory order currently under the director's consideration. Instead, the party should file a separate petition for declaratory order, and the petition should include all of the relevant facts. The director may deny a petition for intervention without denying the underlying petition for declaratory order that is involved.

**4.7(4) Briefs.** The petitioner or any intervenor may file a brief in support of the position urged. The department may request a brief from the petitioner, any intervenor, or any other person concerning the questions raised in the petition.

**4.7(5) Inquiries.** Inquiries concerning the status of a declaratory order proceeding may be made to the Legal Services and Appeals Division, Iowa Department of Revenue, P.O. Box 14457, Des Moines, Iowa 50306-3457; or by email to the address provided in 701—paragraph 7.3(1)“b.”

**4.7(6) Service and filing of petitions and other papers.**

*a. When service is required.* Except where otherwise provided by law, every petition for declaratory order, petition for intervention, brief, or other paper filed in a proceeding for a declaratory order shall be served upon each of the parties of record to the proceeding, and on all other persons identified in the petition for declaratory order or petition for intervention as affected by or interested in the questions presented, simultaneously with its filing. The party filing a document is responsible for service on all parties and other affected or interested persons.

*b. Filing—when required.* All petitions for declaratory orders, petitions for intervention, briefs, or other papers in a proceeding for a declaratory order shall be filed in the same manner described in rule 701—7.3(17A). All petitions, briefs, or other papers that are required to be served upon a party shall be filed simultaneously with the department.

*c. Method of service, time of filing, and proof of mailing.* Method of service, time of filing, and proof of mailing shall be as provided in rules 701—7.3(17A) and 701—7.4(17A).

**4.7(7) Department consideration.**

*a. Informal meetings.* Upon request by the petitioner in the petition, the department may schedule a brief and informal meeting between the original petitioner; all intervenors; and the department, a member of the department, or a member of the staff of the department to discuss the questions raised.

*b. Requests for additional information.* The department may solicit additional information from the petitioner and establish a time frame for response. The department may also solicit comments or information from any other person on the questions raised. Also, comments or information on the questions raised may be submitted to the department by any person.

**4.7(8) Withdrawal of the petition.** The petitioner may voluntarily withdraw its petition by notifying the department in writing at any time before the order is issued. The petitioner may not withdraw the petition after the order is issued.

**4.7(9) Action on petition.**

*a.* Within 30 days after receipt of a petition for a declaratory order, the director shall take action on the petition. That action may include issuing an order, issuing a refusal, scheduling the issuance of a decision for a later date, or any other action described in Iowa Code section 17A.9(5).

*b.* The date of issuance of an order or of a refusal to issue an order is the date of mailing of the order or refusal or date of delivery if service is by other means.

**4.7(10) Refusal to issue order.**

*a. Reasons for refusal to issue order.* The department shall not issue a declaratory order where prohibited by Iowa Code section 17A.9 and may refuse to issue a declaratory order on some or all questions raised for any of the following reasons:

- (1) The petition does not substantially comply with the required form;
- (2) The petition does not contain facts sufficient to demonstrate that the petitioner will be aggrieved or adversely affected by the failure of the department to issue an order;
- (3) The department does not have jurisdiction over the questions presented in the petition;
- (4) Questions or issues presented by the petition are also presented in a current audit or investigation, rulemaking, contested case, litigation, or other department or judicial proceeding that may definitively resolve them;

(5) The questions presented by the petition would more properly be resolved in a different type of proceeding or by another body with jurisdiction over the matter;

(6) The facts or questions presented in the petition are unclear, overbroad, insufficient, or otherwise inappropriate as a basis upon which to issue an order;

(7) There is no need to issue an order because the questions raised in the petition have been settled due to a change in circumstances;

(8) The petition is not based upon facts calculated to aid in the planning of future conduct but is, instead, based solely upon prior conduct in an effort to establish the effect of that conduct or to challenge a department decision already made;

(9) The petition requests a declaratory order that would necessarily determine the legal rights, duties, or responsibilities of other persons who have not joined in the petition, intervened separately, or filed a similar petition and whose position on the questions presented may fairly be presumed to be adverse to that of the petitioner; or

(10) The petitioner requests the department to determine whether a statute is unconstitutional on its face.

*b. Action on refusal.* A refusal to issue a declaratory order must indicate the specific grounds for the refusal and constitutes final department action on the petition.

*c. Filing of new petition.* Refusal to issue a declaratory order pursuant to this rule does not preclude the filing of a new petition that seeks to eliminate the grounds for the department's refusal to issue an order.

**4.7(11)** *Contents of declaratory order, refusal; effective date.*

*a.* In addition to the ruling itself, a declaratory order or refusal must contain the date of its issuance, the name of the petitioner and all intervenors, the specific statutes, rules, policies, decisions, or orders involved, the particular facts upon which it is based, and the reasons for its conclusion.

*b.* A declaratory order is effective on the date of issuance.

**4.7(12)** *Copies of orders.* A copy of all orders issued in response to a petition for a declaratory order shall be delivered promptly to the original petitioner and all intervenors or otherwise served in accordance with rule 701—7.3(17A).

**4.7(13)** *Effect of a declaratory order.* A declaratory order is binding on the department, the petitioner, and any intervenors. As to all other persons, a declaratory order serves only as precedent and is not binding on the department. The issuance of a declaratory order constitutes final department action on the petition. A declaratory order, once issued, will not be rescinded by the department and cannot be withdrawn by the petitioner.

This rule is intended to implement Iowa Code section 17A.9.

[ARC 8944C, IAB 2/19/25, effective 3/26/25]

These rules are intended to implement Iowa Code chapter 17A.

[Filed ARC 8944C (Notice ARC 8355C, IAB 11/13/24), IAB 2/19/25, effective 3/26/25]