

701—211.37(423) Services related to specified digital products or software sold as tangible personal property.

211.37(1) *In general.* Persons engaged in the business of providing services arising from or related to installing, maintaining, servicing, repairing, operating, upgrading, or enhancing specified digital products or software sold as tangible personal property are selling a service subject to sales tax.

211.37(2) *Definition.*

“*Specified digital products*” means the same as defined in Iowa Code section 423.1.

211.37(3) *Exemption.* Services arising from or related to installing, maintaining, servicing, repairing, operating, upgrading, or enhancing specified digital products or software sold as tangible personal property may be exempt from sales tax in accordance with Iowa Code section 423.3(104) and rule 701—225.8(423).

This rule is intended to implement Iowa Code section 423.2(6) “*bs.*”

[ARC 8156C, IAB 7/24/24, effective 8/28/24]