

701—211.6(423) Barber and beauty.

211.6(1) *In general.* Persons engaged in the business of barbering and beauty are selling a service subject to sales tax.

211.6(2) *Definitions.* For purposes of this rule:

“*Barbering*” means the same as defined in Iowa Code section 157.1.

“*Beauty*” means the same as “cosmetology” and “esthetics” as those terms are defined in Iowa Code section 157.1.

211.6(3) *Sales tax permits.*

a. Each barber, beauty or other beautification shop or establishment shall receive only one permit and remit tax as one enterprise when operated under a common management.

b. When an operator leases space and is an independent operator, the lessee shall notify the department and secure a sales tax permit whereby the lessee will be responsible directly for the sales tax due. In order to be considered independent, the lessee must also be independent from the lessor for the purposes of withholding income tax, unemployment compensation, and social security taxes.

211.6(4) *Leasing.* The lessor who has leased a part of the premises shall report to the department the names and addresses of all lessees. If the lessor is accounting for the lessee’s sales, the lessor shall, after the name of each lessee, show the amount of net taxable sales made by the lessee on each report to the department and which net taxable sales are included in the lessor’s return. Rule 701—288.11(423) contains more information.

This rule is intended to implement Iowa Code sections 423.2(6) “g” and 423.36.

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