

**701—212.15(423) Urban transit systems.** A privately owned urban transit system that is not an instrumentality of federal, state or county government is subject to sales tax on fuel purchases that are within the urban transit system's charter.

Tax shall not apply to the sales price of fuel purchases made by a privately owned urban transit company for use outside the urban transit system charter in which a fuel tax has been imposed and paid and no refund has been or will be allowed.

This rule is intended to implement Iowa Code sections 423.3(1) and 423.3(31).

[ARC 8157C, IAB 7/24/24, effective 8/28/24]