

701—26.6(422) Battery, tire and allied. Persons engaged in the business of installing, repairing, maintaining, restoring or recharging batteries, and services joined and connected therewith, and persons engaged in the business of installing, repairing, or maintaining tires, and services joined or connected therewith, for any type of vehicle or conveyance are rendering, furnishing, or performing a service, the gross receipts from which are subject to tax. The exemption for transportation services shall not apply.

A fee charged for the disposal of an item in connection with the performance of an enumerated service is subject to tax if the fee for the disposal of the item is not separately contracted for or itemized in the billing for the charge in the itemized service. However, if the fee charged for disposal of an item in connection with the performance of an enumerated service is itemized or separately contracted for, then the disposal fee is not subject to sales or use tax. Items that may be subject to a disposal fee in connection with a taxable service include, but are not limited to, air filters, oil, tires, and batteries.

This rule is intended to implement Iowa Code section 422.43.