

701—201.12(423) Reinstatement of revoked permit.

201.12(1) A revoked permit shall be reinstated only on such terms and conditions as the case may warrant. Terms and conditions include payment of any tax liability that may be due to the department. Rule 701—201.11(423) includes a description of the circumstances under which nonpayment of taxes may lead to revocation of a permit.

201.12(2) Pursuant to the director's statutory authority in Iowa Code section 423.36(6) to restore licenses after a revocation, the director has determined that upon the initial revocation of a sales and use tax permit, the permit holder will be required to pay all delinquent sales tax liabilities, to file returns, and to post a bond and to refrain from taxable occurrences under Iowa Code section 423.2 as required by the director prior to the reinstatement or issuance of a new sales tax permit.

201.12(3) As set forth above, the director may impose a waiting period during which the permit holder must refrain from taxable occurrences pursuant to the penalties of Iowa Code section 423.40, not to exceed 90 days, to restore a permit or issue a new permit after a revocation. The department may require a sworn affidavit, subject to the penalties of perjury, stating that the permit holder has fulfilled all requirements of said order of revocation, and stating the dates on which the permit holder refrained from taxable occurrences.

201.12(4) Each of the following situations will be considered one offense, for the purpose of determining the waiting period to reinstate a revoked permit or issue a new permit after a revocation unless otherwise noted.

- a.* Failure to post a bond as required.
- b.* Failure to file a return timely.
- c.* Failure to pay tax timely (including dishonored checks, failure to pay, and late payments).
- d.* Failure to file a return and pay tax shown on the return timely (counts as two offenses).

201.12(5) The administrative law judge or director of revenue may order a waiting period after the revocation not to exceed:

- a.* Five days for one through five offenses.
- b.* Seven days for six through seven offenses.
- c.* Ten days for eight through nine offenses.
- d.* Thirty days for ten offenses or more.

201.12(6) The administrative law judge or director of revenue may order a waiting period not to exceed:

- a.* Forty-five days if the second revocation occurs within 24 months of the first revocation.
- b.* Sixty days if the second revocation occurs within 18 months of the first revocation.
- c.* Ninety days if the second revocation occurs within 12 months of the first revocation.
- d.* Ninety days if the third revocation occurs within 36 months of the second revocation.

201.12(7) A revoked permit will not be reinstated if the department has received a certificate of noncompliance from the child support recovery unit in regard to the permit holder, who is an individual requesting reinstatement, until the unit furnishes the department with a withdrawal of the certificate of noncompliance.

This rule is intended to implement Iowa Code sections 423.2, 423.36, and 423.40.
[ARC 6398C, IAB 7/13/22, effective 7/1/22]