701—201.10(423) Substantially delinquent tax—denial of permit.

201.10(1) *Substantial delinquency factors.* For purposes of Iowa Code section 423.36, the department will consider the following nonexclusive factors when considering whether an applicant is substantially delinquent in paying a tax such that a permit application will be denied:

a. The amount of tax delinquent.

b. The number of filing periods for which a tax remains due and unpaid.

c. The length of time a tax has been unpaid.

d. The amount of tax, interest, or penalty owed in relation to the applicant's total financial resources.

e. Additional factors, which may be considered based on the specific facts and circumstances of each application.

201.10(2) *Child support noncompliance.* The department will deny a permit to any applicant or permittee who is an individual if the department has received a certificate of noncompliance from the child support recovery unit in regard to the individual, until the unit furnishes the department with a withdrawal of the certificate of noncompliance. The department will not deny a permit to any applicant that is an entity if the department has received a certificate of noncompliance from the child support recovery unit in regard to an individual who is an owner or officer of the entity.

201.10(3) *Appeals.* The department will provide notice of a sales permit denial. The notice will contain a statement of facts or conduct and the provisions of law that warrant the denial of the license or the refusal to renew a license. The notice will provide the licensee or applicant with 30 days to request a hearing and information about how to contact the department to make such a request. Any request for a hearing or contested case of the department's intent to deny a sales tax permit application is governed by rule 701—2506.4(17A), and the contested rules in 7—Chapter 2506 and 701—Chapter 2506 shall apply.

This rule is intended to implement Iowa Code sections 252J.7 and 423.36.

[**ARC 8150C**, IAB 7/24/24, effective 8/28/24; **ARC 8944C**, IAB 2/19/25, effective 3/26/25; **ARC 0437D**, IAB 7/22/26, effective 6/30/26]