

701—219.6(423) Tangible personal property used or consumed by the manufacturer thereof. When a person who is primarily engaged in the manufacture of building materials, supplies, or equipment for sale and not for the person's own use or consumption, considering the totality of the business, from time to time uses or consumes the building materials, supplies, or equipment for construction purposes, the person is deemed to be making retail sales to one's self and subject to tax on the basis of the fabricated cost of the items so used or consumed for construction purposes. If equipment, building materials, or supplies are used by a manufacturer in the performance of a construction contract or a contract for reconstruction, alteration, expansion, or remodeling, a "sale" occurs only if the equipment, materials, or supplies are used in the performance of such contract in Iowa.

This rule is intended to implement Iowa Code section 423.2(1) "c."

[ARC 8161C, IAB 7/24/24, effective 8/28/24]