

**701—207.4(423) Marketplace facilitators—registration and collection obligations.** Marketplace facilitators that meet the sales threshold must collect and remit Iowa sales tax and applicable local option sales tax on all taxable sales made through their marketplace that are sourced to Iowa. Marketplace facilitators must collect Iowa sales tax on all taxable Iowa sales, regardless of the location or sales volume of the marketplace sellers who make sales on marketplace facilitator’s marketplaces.

EXAMPLE: M is a marketplace facilitator that meets the sales threshold and therefore collects Iowa sales tax and applicable local option sales tax on Iowa sales facilitated through M’s marketplace. Seller S lists soccer balls for sale on M’s marketplace. A purchaser in Iowa buys a soccer ball listed by S on M’s marketplace. The soccer ball is delivered to the purchaser’s home address in Iowa. M must collect Iowa sales tax and applicable local option sales tax on the sale of the soccer ball. The outcome is the same regardless of whether S is located in Iowa and regardless of S’s Iowa sales volume.

[ARC 4644C, IAB 8/28/19, effective 10/2/19; ARC 6508C, IAB 9/7/22, effective 10/12/22]