

**701—221.3(423) Demurrage charges.** Charges for returning tangible personal property after the agreed-upon date which are true demurrage charges supported by a written agreement do not constitute taxable sales and the charges are exempt from tax.

This rule is intended to implement Iowa Code section 423.1(47).  
[ARC 6508C, IAB 9/7/22, effective 10/12/22]