

**701—270.6(423B) Sales subject to local option sales and services tax.** All sales subject to sales tax under Iowa Code chapter 423 are subject to local option sales and services tax. There is no local option use tax.

**270.6(1) *Sourcing.*** The general sourcing rules described in Iowa Code section 423.15 and 701—Chapter 223 are used to determine whether a sale is subject to local option taxes and, if so, in what jurisdiction. A local sales and services tax is not applicable to transactions sourced to a place of business, as defined in Iowa Code section 423.1, of a retailer if such place of business is located in part within a city or unincorporated area of the county where the tax is not imposed.

**270.6(2) *Sellers responsible for collecting local option sales and services tax.*** Sales sourced to Iowa and made by sellers subject to Iowa Code section 423.1(48) or 423.14A are subject to local option sales and services tax.

This rule is intended to implement Iowa Code section 423B.5(1).  
[ARC 4323C, IAB 2/27/19, effective 4/3/19; ARC 6508C, IAB 9/7/22, effective 10/12/22]