

701—64.22(452A) Contract carriers. When motor fuel is sold directly to a contract carrier who has a contract with a public school under Iowa Code section 285.5 for the transportation of pupils of an approved public or nonpublic school, it shall be sold tax-paid. This tax will then be refundable to the contract carrier. A refund requested by contract carriers will be reduced by the applicable sales tax unless otherwise exempt. To obtain a refund the contract carrier must apply to the department for a refund registration.

The name of the contract carrier must appear on the invoice as the purchaser of the fuel or the refund will not be allowed. *Alabama v. King & Bozer*, 314 U.S. 1 (1941). These refunds may be obtained by filing a quarterly report (calendar quarter) with the department setting out (1) the name of the contract carrier, (2) the amount of fuel purchased tax-paid, (3) the amount of tax subject to refund, and (4) the registration number of the contract carrier. The claim for refund must be filed with the department, as determined by rule 701—63.6(452A), within one year of the time the tax was due, therefore, if in any one quarter, the contract carrier has no refund coming, or a very small refund coming, they need not file. The contract carrier so filing must retain the invoice, or other evidence of purchase meeting the same requirements, for a period of three years. (See rule 701—63.13(452A) for requirements as to form.) The documents shall be available for inspection by the department upon request. The request for refund of taxes paid on special fuel shall be reported at the same time, in the same manner, and subject to the same requirements. See 701—subrule 65.15(2).

This rule is intended to implement Iowa Code sections 452A.3 and 452A.35.