

701—273.3(15J) New state tax revenue calculations.

273.3(1) *State sales tax calculation.* The department shall calculate quarterly the amount of new state sales tax revenues for each district established in the state to be deposited in the state reinvestment district fund, subject to remittance limitations established by the board.

The amount of new state sales tax revenue for purposes of this subrule shall be the product of the amount of sales subject to the state sales tax in the district during the quarter from “new retail establishments,” as defined in rule 701—273.2(15J), multiplied by 4 percent.

273.3(2) *State hotel and motel tax calculation.* Pursuant to Iowa Code section 423A.6, the department shall calculate quarterly the amount of new state hotel and motel tax revenues for each district established in the state to be deposited in the state reinvestment district fund created in Iowa Code section 15J.6, subject to remittance limitations established by the board pursuant to Iowa Code section 15J.4, subsection 3.

The amount of new state hotel and motel tax revenue for purposes of this subrule shall be the product of the amount of sales subject to the state hotel and motel tax in the district during the quarter from “new lessors,” as defined in rule 701—273.2(15J), multiplied by the state hotel and motel tax rate imposed under Iowa Code section 423A.3.

273.3(3) *Identification of new retail establishments and new lessors.* Each municipality that has established a district under this chapter shall assist the department in identifying new retail establishments in the district that are collecting state sales tax and new lessors in the district that are collecting state hotel and motel tax. This process shall be ongoing until the municipality ceases to utilize state sales tax revenue or state hotel and motel tax revenue under this chapter or the district is dissolved.

This rule is intended to implement Iowa Code sections 15J.5, 423.2(11) and 423A.6.

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