

**261—58.13(15) Compliance monitoring; notice of noncompliance and penalties.**

**58.13(1) *Compliance monitoring.*** The department will conduct an annual review of the business, or group of businesses, to monitor compliance with the agreement executed under this program.

**58.13(2) *Notice of noncompliance.*** The department will notify the community and DR of a business's or group of businesses' unremedied noncompliance under the agreement.

**58.13(3) *Authority to recover.*** Following notice of noncompliance from the department, the taxing authority of the community shall have the authority to take action to recover the value of taxes not collected as a result of the exemption provided by the community to the business or group of businesses. DR shall have the authority to recover the value of state taxes or incentives provided under the program. The value of state incentives provided under the program includes applicable interest and penalties.

**58.13(4) *False report of taxes paid.*** A contractor or subcontractor to an eligible business who willfully makes a false report to the eligible business under the sales and use tax refund provisions of subrule 58.4(6) is guilty of a simple misdemeanor and in addition is liable for the payments of the tax and any applicable penalty and interest.