

701—16.36(422) Communication services furnished by hotel to its guests. As a common practice, hotels in the state of Iowa purchase telephone communication service from telephone companies and furnish said services to the guests of the hotel. The hotel makes a charge for this communication service to its guests in an amount which exceeds the cost of such service to it from the telephone company. Tax shall apply to the entire charges which the hotel makes to its guests for such communication service, regardless of whether the guest's calls are local or long-distance within the state.

This rule is intended to implement Iowa Code sections 422.42 and 422.43.