

**701—32.9(423) Exemption for vehicles subject to registration.** The use of vehicles, as defined in Iowa Code section 321.1, subsections 4, 6, 8, 9, and 10, except vehicles that are designed primarily for carrying persons, is exempt from tax if the vehicles are purchased for lease and actually leased to a lessee for use outside the state of Iowa and the subsequent sole use in Iowa is in interstate commerce or interstate transportation. Such vehicles are commonly known as motor trucks, truck tractors, road tractors, trailers, or semitrailers. The exemption is retroactive to January 1, 1973.

This rule is intended to implement Iowa Code subsection 423.4(7).