

701—216.3(423) Golf and country clubs and all commercial recreation.

216.3(1) *Golf and country clubs.* The sales price from all services sold by a golf club or country club are subject to sales tax. All fees, dues, assessments, or other charges paid to golf clubs and country clubs are subject to sales tax.

216.3(2) *Commercial recreation.*

a. In general. The sales price from all services sold by persons making recreation available to purchasers are subject to sales tax. Recreation under this rule does not include fees or charges for admission taxed under Iowa Code section 423.2(3).

b. Definition. For purposes of this rule:

“*Recreation*” means activities pursued for pleasure. Recreation includes all activities that promote physical fitness, including but not limited to sports, games, exercise classes, martial arts classes, and swim classes. Recreation includes instructional classes pursued for pleasure unrelated to fitness or athletics, including but not limited to pottery classes, cooking classes, and music lessons. Recreation also includes activities without any instructional element, such as hunting or fishing ranges or camps. Elements that do not determine whether or not an activity is recreation include whether an instructor leads an activity or class, the level of training or ability the instructor has, and the location of the activity.

This rule is intended to implement Iowa Code section 423.2(6)“v.”
[ARC 6704C, IAB 11/30/22, effective 1/4/23]