

**701—218.7(423) Wrecker and towing.**

**218.7(1) *In general.*** Persons engaged in the business of towing any vehicle are selling a service subject to sales tax. Included in this are services charges for a person to travel to any place to lift, extricate, tow, or salvage a vehicle.

**218.7(2) *Definitions.*** For purposes of this rule:

“*Towing*” includes any means of pushing, pulling, carrying, or freeing any vehicle from mud, snow, or any other impediment, including any incidental hoisting. “*Towing*” does not include transporting operable vehicles from one location to another when no operative aspect of the vehicle is integral to the transporting.

“*Vehicle*” means the same as defined in Iowa Code section 321.1(90).

This rule is intended to implement Iowa Code sections 423.1(7) and 423.2(6) “*bn.*”  
[ARC 6704C, IAB 11/30/22, effective 1/4/23]