



Iowa Department of Revenue

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TO:	MEMBERS OF THE 2015 IOWA GENERAL ASSEMBLY
FROM:	IOWA DEPARTMENT OF REVENUE
DATE:	JANUARY 2015
SUBJECT:	IOWA DEPARTMENT OF REVENUE STREAMLINED SALES TAX BILL

This annual bill provides legislative changes recommended by the Iowa Department of Revenue. These changes are related to maintaining Iowa's compliance with the Streamlined Sales Tax Governing Board Agreement. In FY 2014, Iowa's participation in the Streamlined project brought in approximately \$15.4 million in sales and use tax revenue from remote retailers.

Section 1 clarifies that sales of food that ordinarily require additional cooking by the consumer prior to consumption are not taxable as prepared food. This language explicitly codifies the Department's current interpretation of "prepared food," as required by the Streamlined Sales Tax Governing Board Agreement.

Section 2 clarifies that Iowa provides limited liability relief to sellers and certified service providers following a change to the taxability matrix. This language explicitly codifies the Department's current practice, as required by the Streamlined Sales Tax Governing Board Agreement.