

CHAPTER 1123**SALES TAX EXEMPTION FOR CENTRAL OFFICE EQUIPMENT OR TRANSMISSION
EQUIPMENT — TELECOMMUNICATIONS AND INTERNET ACCESS SERVICES***H.F. 960*

AN ACT relating to the sales tax exemption for the purchase of central office equipment or transmission equipment used by certain entities primarily in the furnishing of telecommunications services on a commercial basis.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 423.3, subsection 47A, paragraph a, Code 2026, is amended to read as follows:

a. The sales price from the sale of central office equipment or transmission equipment ~~primarily used in the furnishing of telecommunications services, internet access services, or a combination of these, on a commercial basis by local exchange carriers and competitive local exchange service providers; by franchised cable television operators, mutual companies, municipal utilities, cooperatives, and companies furnishing communications services that are not subject to rate regulation as provided in chapter 476; by long distance companies as defined in section 477.10; or for by a provider of commercial mobile radio service as defined in 47 C.F.R. §20.3 in the furnishing of telecommunications services on a commercial basis.~~

Approved May 19, 2026