

**701—218.12(423) Ships, barges, and other waterborne vessels.** Tax will not be imposed upon the use, within Iowa, of any ship, barge, or other waterborne vessel if that use is primarily for the transportation of property or cargo for hire on the rivers bordering this state. This exemption is also applicable to tangible personal property used as material in the construction of or as a part for the repair of any such ship, barge, or waterborne vessel. The use must be on a river or rivers bordering Iowa, not on any river or rivers bounded on both banks by Iowa territory.

This rule is intended to implement Iowa Code section 423.4(10).  
[ARC 7716C, IAB 3/6/24, effective 4/10/24]