

701—211.26(423) Test laboratories.

211.26(1) *In general.* Persons engaged in the business of providing laboratory testing of any substance for any experimental, scientific, or commercial purpose are selling a service subject to sales tax. “Test laboratories” includes but is not limited to mobile testing laboratories and field testing by test laboratories.

211.26(2) *Exempt testing services.* Test laboratory services performed on humans and animals and environmental testing services are not taxable. “Environmental testing services” includes but is not limited to the physical and chemical analysis of soil, water, wastewater, air, or solid waste performed in order to ascertain the presence of environmental contamination or degradation.

211.26(3) *Nonprofit blood centers.* Test laboratory services rendered, furnished, or performed for a nonprofit blood center registered by the federal Food and Drug Administration are exempt when the services are directly and primarily used in the processing of human blood.

This rule is intended to implement Iowa Code sections 423.2(6) “bc,” 423.3(102), and 423.3(26A).
[ARC 6704C, IAB 11/30/22, effective 1/4/23]