STATE NAME: ____Iowa_____

Streamlined Sales Tax Governing Board
Section 328 Best Practices Matrix

Effective Date: _January 1, 2014___

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Date Submitted: __January 17, 2014_____

A "best practice" has been approved by the Streamlined Sales Tax Governing Board (SSTGB) for each of the products, procedures, services, or transactions identified in the chart below pursuant to Section 335 of the Streamlined Sales and Use Tax Agreement (SSUTA), as amended through October 30, 2013.

Place an "X" in the appropriate column to indicate whether your state does or does not follow each "best practice" identified in this matrix.

For each "best practice" identified in this matrix and further described in Appendix E of the SSUTA which your state follows, place an "X" in the "Yes" column and enter the statute or rule that applies to your state's treatment of this "best practice" in the Reference column. Additional space is available if you wish to add comments.

For each "best practice" identified in this matrix and further described in Appendix E of the SSUTA that your state does not follow, place an "X" in the "No" column and describe in the "Comments" column how your state's treatment of that "best practice" differs from the best practice adopted by the SSTGB and described in Appendix E.

Sellers and certified service providers are relieved from tax liability to the member state and its local jurisdictions for having charged and collected the incorrect amount of sales or use tax resulting from the seller or certified service provider relying on erroneous data provided by the member state in the best practices matrix.

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Best Practice from Appendix E	Brief Description of Best Practice	Does Your State Follow this Best Practice?		Add Additional Comments if Desired. If You Answered No, Describe the Difference Between the Best Practice as adopted by the Governing Board and Your State's Treatment
		Yes	No	
Best Practice 1 – Vouchers				
Vouchers 1.1	The member state administers the difference between the value of a voucher allowed by the seller and the amount the purchaser paid for the voucher as a discount that is not included in the sales price (i.e., same treatment as a seller's in-store coupon), provided the seller is not reimbursed by a third party, in money or otherwise, for some or all of that difference.	X		Iowa Code § 423.1(51) & 701 IAC 212.1 Retailers' discounts
Vouchers 1.2	The member state provides that when the discount on a voucher will be fully reimbursed by a third party the seller is to use the face value of the voucher (i.e., same as the treatment of a manufacturer's coupon) and not the price paid by the purchaser as the measure (sales price) that is subject to tax.	X		Iowa Code § 423.1(51) & 701 IAC 212..3(3) Coupons
Vouchers 1.3	The member state provides that costs and expenses of the seller are not deductible from the sales price and are included in the measure (sales price) that is subject to tax. Further, reductions in the amount of consideration received by the seller from the third party that issued, marketed, or distributed the vouchers, such as advertising or marketing expenses, are costs or expenses of the seller.	X		Iowa Code § 423.1(51) & 701 IAC 212.1 Retailers' discounts