

STATE NAME: Iowa

Streamlined Sales Tax Governing Board
Section 328 Taxability Matrix
Library of Definitions

Effective Date: 03/ 31/ 2011

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*Changes made only to clarify items included in sales price.

Each of the items listed in the chart is defined in the Library of Definitions in the Streamlined Sales and Use Tax Agreement (SSUTA) as amended through April 30, 2009. Refer to Appendix C of the SSUTA for each definition.

Place an "X" in the appropriate column under the heading "Treatment of definition" to indicate the treatment of each definition in your state. If a product definition was not adopted by your state, enter "NA" in the column under the heading "Reference" and indicate in the "Treatment of definition" columns the treatment of the product in your state. In accordance with the SSUTA, your state must adopt the definitions in the Library of Definitions that apply to your state without qualifications except for those allowed by the SSUTA. For this reason, do not enter any comments or qualifications in the two columns under the heading "Treatment of definition". If your state has adopted a definition in the Library of Definitions with a qualification not specified in the SSUTA, do not place an "X" in either column under the heading "Treatment of definition" but include a comment in the "Reference" column explaining the qualification. Enter the applicable statute/rule cite in the "Reference" column.

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 and use tax resulting from the seller or certified service provider relying on erroneous data provided by the member state relative to treatment of the terms defined in the Library of Definitions.

Administrative Definitions	Treatment of definition		Reference
	Included in Sales Price	Excluded from Sales Price	Statute/Rule Cite/Comment
Sales price: Identify how the options listed below are treated in your state. The following options may be excluded from the definition of sales price only if they are separately stated on the bill to the purchaser. <ul style="list-style-type: none"> Charges by the seller for any services necessary to complete the sale other than delivery and installation 	X		Unless separately contracted for, separately stated on the invoice or similar document, and the amount is not the sales price of a taxable sale or taxable service -2009 Iowa Code, § 423.1(47) c
<ul style="list-style-type: none"> Telecommunication nonrecurring charges 	X		See Above
<ul style="list-style-type: none"> Installation charges 		X	Iowa taxes certain enumerated services.

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			Some of these services may involve installation of tangible property-2009 Iowa Code, §423.2	
<ul style="list-style-type: none"> Value of trade-in 		X	Trade-in is used to reduce the selling price if the property being traded is normally sold in the seller's business - 2009 Iowa Code, §423.1(47) c & §423.3(59)	
<ul style="list-style-type: none"> Delivery Charges for personal property or services other than direct mail. The following charges are included in the definition of sales price unless your state excludes them from sales price when such charges are separately stated on the bill to the purchaser. For responses below assume the charges are separately stated on the bill to the purchaser. 	Included in Sales Price	Excluded from Sales Price	Statute/Rule Cite/Comment	
<ul style="list-style-type: none"> Handling, crating, packing, preparation for mailing or delivery, and similar charges 		X	2009 Iowa Code, §423.1(47)	
<ul style="list-style-type: none"> Transportation, shipping, postage, and similar charges 		X	2009 Iowa Code, §423.1(47)	
<ul style="list-style-type: none"> Delivery Charges for direct mail. The following charges are included in the definition of sales price unless your state excludes them from sales price when such charges are separately stated on the bill to the purchaser. For responses below assume the charges are separately stated on the bill to the purchaser. 	Included in Sales Price	Excluded from Sales Price	Statute/Rule Cite/Comment	
<ul style="list-style-type: none"> Handling, crating, packing, preparation for mailing or delivery, and similar charges 		X	2009 Iowa Code, §423.1(47) and Rule 701-15.13	
<ul style="list-style-type: none"> Transportation, shipping, and similar charges 		X	2009 Iowa Code, §423.1(47) and Rule 701-15.13	
<ul style="list-style-type: none"> Postage 		X	2009 Iowa Code, §423.1(47) and Rule 701-211.1	
Sales Tax Holidays	Yes	No	Statute/Rule Cite/Comment	
Sales Tax Holidays: Does your state have a sales tax holiday?	X		2009 Iowa Code, § 423.3(68)	
If yes, indicate the tax treatment during your state sales tax holiday for the following products.	Amount of Threshold	Taxable	Exempt	Statute/Rule Cite/Comment
<ul style="list-style-type: none"> All Energy star qualified products 		X		2009 Iowa Code, § 423.2
<ul style="list-style-type: none"> Specific energy star qualified products or energy star qualified classifications 		X		2009 Iowa Code, § 423.2
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➤				
• All Disaster Preparedness Supply		X		2009 Iowa Code, § 423.2
• Specific Disaster Preparedness Supply		X		2009 Iowa Code, § 423.2
➤ Disaster preparedness general supply		X		2009 Iowa Code, § 423.2
➤ Disaster preparedness safety supply		X		2009 Iowa Code, § 423.2
➤ Disaster preparedness food-related supply		X		2009 Iowa Code, § 423.2
➤ Disaster preparedness fastening supply		X		2009 Iowa Code, § 423.2
• School supply		X		2009 Iowa Code, § 423.2
• School art supply		X		2009 Iowa Code, § 423.2
• School instructional material		X		2009 Iowa Code, § 423.2
• School computer supply		X		2009 Iowa Code, § 423.2
Other products defined in Part II of the Library of Definitions included in your state sales tax holiday.	Amount of Threshold	Taxable	Exempt	Statute/Rule Cite/Comment
• Clothing	\$100		X	2009 Iowa Code, § 423.3(68)
• Computers		X		2009 Iowa Code, § 423.2
• Prewritten computer software		X		2009 Iowa Code, § 423.2
•				
•				
•				
Product Definitions				
Clothing and related products				
		Taxable	Exempt	Statute/Rule Cite/Comment
• Clothing		X		2009 Iowa Code, § 423.2
➤ Essential clothing priced below a state specific threshold		X		N/A
➤ Fur clothing		X		N/A
• Clothing accessories or equipment		X		2009 Iowa Code, § 423.2
• Protective equipment		X		2009 Iowa Code, § 423.2
• Sport or recreational equipment		X		2009 Iowa Code, § 423.2
Computer related products				
		Taxable	Exempt	Statute/Rule Cite/Comment
• Computer		X		Computers used in processing or storage of data or information by an insurance company, financial institution, or commercial enterprise are exempt – 2009 Iowa Code, § 423.3(47)"a" (4)
• Prewritten computer software		X		Rule 701-18.34(1)"b"(3)
• Prewritten computer software delivered electronically			X	2009 Iowa Code, § 423.3(67).

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• Prewritten computer software delivered via load and leave	X		2009 Iowa Code, § 423.2(1), 423.3(67) and Rule 701-231.14
• Non-prewritten (custom) computer software		X	Rule 701-18.34(1)"b"(4)
• Non-prewritten (custom) computer software delivered electronically		X	Rule 701-18.34(1)"b"(4)
• Non-prewritten (custom) computer software delivered via load and leave		X	Rule 701-18.34(1)"b"(4)
Mandatory computer software maintenance contracts	Taxable	Exempt	Statute/Rule Cite/Comment
• Mandatory computer software maintenance contracts with respect to prewritten computer software	X		Rule 701-18.34(2)"j"(1)
• Mandatory computer software maintenance contracts with respect to prewritten computer software which is delivered electronically		X	Rule 701-231.14
• Mandatory computer software maintenance contracts with respect to prewritten computer software which is delivered via load and leave	X		Rule 701-18.34(2) "j" (1) & 701-231.14
• Mandatory computer software maintenance contracts with respect to non-prewritten (custom) computer software		X	2009 Iowa Code, §423.2(1) (a) Technical support only.
• Mandatory computer software maintenance contracts with respect to non-prewritten (custom) software which is delivered electronically		X	Rule 701-231.14
• Mandatory computer software maintenance contracts with respect to non-prewritten (custom) software which is delivered via load and leave		X	Rule 701-18.34(2)"j" (1) & 701-231.14 - Technical support only.
Optional computer software maintenance contracts	Taxable	Exempt	Statute/Rule Cite/Comment
• Optional computer software maintenance contracts with respect to prewritten computer software that only provide updates or upgrades with respect to the software	X		2009 Iowa Code, §423.2(1) (a)
• Optional computer software maintenance contracts with respect to prewritten computer software that only provide updates or upgrades delivered electronically with respect to the software		X	Rule 701-231.14
• Optional computer software maintenance contracts with respect to prewritten computer software that only provide updates or upgrades delivered via load and leave with respect to the software	X		2009 Iowa Code, §423.2(1) (a)
• Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software that only provide updates or upgrades with respect to the software		X	2009 Iowa Code, §423.2(1) (a) Rule 701-18.34(2) "j" (3)
• Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software that only provide updates or upgrades delivered electronically with respect to the software		X	Rule 701- 231.14
• Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software that only provide updates or upgrades delivered via load and leave with respect to the software		X	2009 Iowa Code, §423.2(1) (a) Rule 701-18.34(2) "j" (3)
• Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software that only provide support services		X	2009 Iowa Code, §423.2(1) (a)

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to the software			
<ul style="list-style-type: none"> Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software that provide updates or upgrades and support services to the software 		X	2009 Iowa Code, §423.2(1) (a) Rule 701-18.34(2) “j” (3)
<ul style="list-style-type: none"> Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software that provide updates or upgrades delivered electronically and support services to the software 		X	Rule 701- 231.14
<ul style="list-style-type: none"> Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software provide updates or upgrades delivered via load and leave and support services to the software 		X	2009 Iowa Code, §423.2(1) (a) Rule 701-18.34(2) “j” (3)
Indicate your state’s tax treatment for optional computer software maintenance contracts with respect to prewritten computer software sold for one non-itemized price that include updates and upgrades and/or support services. Use percentages in the taxable and exempt columns to denote tax treatment in your state. For example: if all taxable put 100% in the taxable column; if all nontaxable/exempt put 100% in the exempt column; if 50% taxable and 50% nontaxable/exempt put 50% in the taxable column and 50% in the exempt column.	Taxable	Exempt	Statute/Rule Cite/Comment
<ul style="list-style-type: none"> Optional computer software maintenance contracts with respect to prewritten computer software that provide updates or upgrades and support services to the software 	50%	50%	2009 Iowa Code, §423.2(1) (a)
<ul style="list-style-type: none"> Optional computer software maintenance contracts with respect to prewritten computer software that provide updates and upgrades delivered electronically and support services to the software 		100%	2009 Iowa Code, §423.2(1) (a) Rule 701-18.34(2) “j” (3)
<ul style="list-style-type: none"> Optional computer software maintenance contracts with respect to prewritten computer software that provide updates and upgrades delivered via load and leave and support services to the software 	50%	50%	2009 Iowa Code, §423.2(1) (a)
<ul style="list-style-type: none"> Optional computer software maintenance contracts with respect to prewritten computer software that only provide support services to the software 		100%	2009 Iowa Code, §423.2(1) (a)
Digital products(excludes telecommunications services, ancillary services and computer software)	Yes	No	Statute/Rule Cite/Comment
A state imposing tax on products “transferred electronically” is not required to adopt definitions for specified digital products. (“Specified digital products” includes the defined terms: digital audio visual works; digital audio works; and digital books.) Does your state impose tax on products transferred electronically other than digital audio visual works, digital audio works, or digital books?		X	2009 Iowa Code, § 423.3(67).
	Taxable	Exempt	Statute/Rule Cite/Comment
<ul style="list-style-type: none"> Digital audio visual works sold to an end user with rights for permanent use 		X	2009 Iowa Code, § 423.3(67).
<ul style="list-style-type: none"> Digital audio works sold to an end user with rights for permanent use 		X	2009 Iowa Code, § 423.3(67).
<ul style="list-style-type: none"> Digital books sold to an end user with rights for permanent use 		X	2009 Iowa Code, § 423.3(67).

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For transactions other than those included above, a state must specifically impose and separately enumerate a broader imposition of the tax. Does your state impose tax on:	Yes	No	Statute/Rule Cite/Comment
• Digital audio visual works sold to users other than the end user.		X	2009 Iowa Code, § 423.3(67).
• Digital audio visual works sold with rights of use less than permanent use.		X	2009 Iowa Code, § 423.3(67).
• Digital audio visual works sold with rights of use conditioned on continued payment.		X	2009 Iowa Code, § 423.3(67).
• Digital audio works sold to users other than the end user.		X	2009 Iowa Code, § 423.3(67).
• Digital audio works sold with rights of use less than permanent.		X	2009 Iowa Code, § 423.3(67).
• Digital audio works sold with rights of use conditioned on continued payments.		X	2009 Iowa Code, § 423.3(67).
• Digital books sold to users other than the end user.		X	2009 Iowa Code, § 423.3(67).
• Digital books sold with rights of use less than permanent.		X	2009 Iowa Code, § 423.3(67).
• Digital books sold with rights of use conditioned on continued payments.		X	2009 Iowa Code, § 423.3(67).
Does your state treat subscriptions to products “transferred electronically” differently than a non-subscription purchase of such product?		X	2009 Iowa Code, § 423.3(67).
Section 332H provides that states may have product based exemptions for specific items within specified digital products. (“Specified digital products” includes the defined terms: digital audio visual works; digital audio works; and digital books.) List product based exemptions for specific items included in specified digital products.	Statute/Rule Cite/Comment		
• N/A			
•			
•			
Food and food products	Taxable	Exempt	Statute/Rule Cite/Comment
• Food and food ingredients excluding alcoholic beverages and tobacco		X	2009 Iowa Code, § 423.3(57)
➤ Candy	X		2009 Iowa Code, § 423.3(57)
➤ Dietary Supplements	X		2009 Iowa Code, § 423.3(57)
○ Soft Drinks	X		2009 Iowa Code, §423.3(57)“g”
○ Bottled Water		X	2009 Iowa Code, § 423.3(57) Rule 701-231.5
➤ Food sold through vending machines	X		2009 Iowa Code, § 423.3(57)
➤ Prepared Food	X		2009 Iowa Code, § 423.3(57)
Prepared food options - indicate whether the following options are included or excluded from the definition of prepared food. Options excluded from prepared	Included in definition	Excluded from	Statute/Rule Cite/Comment

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food are taxed the same as food and food ingredients.		definition	
➤ Food sold without eating utensils provided by the seller whose primary NAICS classification is manufacturing in sector 311, except subsector 3118 (bakeries)	X		2009 Iowa Code, § 423.3(57)"f"(3)
• Food sold without eating utensils provided by the seller in an unheated state by weight or volume as a single item		X	2009 Iowa Code, § 423.3(57)"f"(3)(d)
➤ Bakery items sold without eating utensils provided by the seller, including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts, Danish, cakes, tortes, pies, tarts, muffins, bars, cookies, tortillas		X	The exclusion is limited to bakery items sold by the seller which baked them. There is no mention of a sale without eating utensils. See 2009 Iowa Code, § 423.3 (57)"f"(3)c)
Health-care products	Taxable	Exempt	Statute/Rule Cite/Comment
Drugs (indicate how the options are treated in your state)			
Drugs for human use			
• Drugs for human use without a prescription	X		2009 Iowa Code, § 423.2(1)
• Drugs for human use with a prescription		X	2009 Iowa Code, § 423.3(60)
• Insulin for human use without a prescription		X	2009 Iowa Code, § 423.3(60)
• Insulin for human use with a prescription		X	2009 Iowa Code, § 423.3(60)
• Medical oxygen for human use without a prescription		X	2009 Iowa Code, § 423.3(60)
• Medical oxygen for human use with a prescription		X	2009 Iowa Code, § 423.3(60)
• Over-the-counter drugs for human use without a prescription	X		2009 Iowa Code, § 423.2(1)
• Over-the-counter drugs for human use with a prescription		X	2009 Iowa Code, § 423.3(60)
• Grooming and hygiene products for human use	X		2009 Iowa Code, § 423.2(1)
• Drugs for human use to hospitals		X	Likely exempt as a sale for resale or sale to a nonprofit hospital or other nonprofit medical facility. See 2009 Iowa Code, §§ 423.3(2), (18) and (27).
• Drugs for human use to other medical facilities		X	Likely exempt as a sale for resale or sale to a nonprofit hospital or other nonprofit medical facility. See 2009 Iowa Code, §§ 423.3(2), (18) and (27).
• Prescription drugs for human use to hospitals		X	2009 Iowa Code, § 423.3(60)
• Prescription drugs for human use to other medical facilities		X	2009 Iowa Code, § 423.3(60)
• Free samples of drugs for human use	X		2009 Iowa Code, § 423.2(1)
• Free samples of prescription drugs for human use		X	2009 Iowa Code, § 423.3(60)
Drugs for animal use			All taxable except if used for

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			livestock in agricultural production, Rule 701-226.5
• Drugs for animal use without a prescription	X		2009 Iowa Code, § 423.2(1)
• Drugs for animal use with a prescription	X		2009 Iowa Code, § 423.2(1), Rule 701-231.6(2)
• Insulin for animal use without a prescription	X		2009 Iowa Code, § 423.2(1)
• Insulin for animal use with a prescription	X		2009 Iowa Code, § 423.2(1), Rule 701-231.6(2)
➤ Medical oxygen for animal use without a prescription	X		2009 Iowa Code, § 423.2(1)
• Medical oxygen for animal use with a prescription	X		2009 Iowa Code, § 423.2(1), Rule 701-231.6(2)
• Over-the-counter drugs for animal use without a prescription	X		2009 Iowa Code, § 423.2(1)
• Over-the-counter drugs for animal use with a prescription	X		2009 Iowa Code, § 423.2(1), Rule 701-231.6(2)
• Grooming and hygiene products for animal use	X		2009 Iowa Code, § 423.2(1)
• Drugs for animal use to veterinary hospitals and other animal medical facilities	X		2009 Iowa Code, § 423.2(1)
• Prescription drugs for animal use to hospitals and other animal medical facilities	X		2009 Iowa Code, § 423.2(1)
• Free samples of drugs for animal use	X		2009 Iowa Code, § 423.2(1)
• Free samples of prescription drugs for animal use	X		2009 Iowa Code, § 423.2(1)
Durable medical equipment (indicate how the options are treated in your state)	Taxable	Exempt	Statute/Rule Cite/Comment
• Durable medical equipment without a prescription	X		2009 IowaCode§423.3(60)"b"
• Durable medical equipment with a prescription	X		2009 IowaCode§423.3(60)"b"
• Durable medical equipment with a prescription paid for by Medicare	X		2009 IowaCode§423.3(60)"b" Rule 701-20.7
• Durable medical equipment with a prescription reimbursed by Medicare	X		2009 IowaCode§423.3(60)"b"
• Durable medical equipment with a prescription paid for by Medicaid	X		2009 IowaCode§423.3(60)"b"
• Durable medical equipment with a prescription reimbursed by Medicaid	X		2009 IowaCode§423.3(60)"b"
• Durable medical equipment for home use without a prescription	X		2009 IowaCode§423.3(60)"b"
• Durable medical equipment for home use with a prescription		X	2009 IowaCode§423.3(60)"b"
• Durable medical equipment for home use with a prescription paid for by Medicare		X	2009 IowaCode§423.3(60)"b"
• Durable medical equipment for home use with a prescription reimbursed by Medicare		X	2009 IowaCode§423.3(60)"b", Rule 701-20.7
• Durable medical equipment for home use with a prescription paid for by Medicaid		X	2009 IowaCode§423.3(60)"b", Rule 701-20.7
• Durable medical equipment for home use with a prescription reimbursed by Medicaid		X	2009 IowaCode§423.3(60)"b", Rule 701-20.7
• Oxygen delivery equipment without a prescription		X	2009 IowaCode§423.3(60)"b"

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• Oxygen delivery equipment with a prescription		X	2009 IowaCode§423.3(60)"b"
• Oxygen delivery equipment with a prescription paid for by Medicare		X	2009 IowaCode§423.3(60)"b"
• Oxygen delivery equipment with a prescription reimbursed by Medicare		X	2009 IowaCode§423.3(60)"b"
• Oxygen delivery equipment with a prescription paid for by Medicaid		X	2009 IowaCode§423.3(60)"b"
• Oxygen delivery equipment with a prescription reimbursed by Medicaid		X	2009 IowaCode§423.3(60)"b"
• Oxygen delivery equipment for home use without a prescription		X	2009 IowaCode§423.3(60)"b"
• Oxygen delivery equipment for home use with a prescription		X	2009 IowaCode§423.3(60)"b"
• Oxygen delivery equipment for home use with a prescription paid for by Medicare		X	2009 IowaCode§423.3(60)"b"
• Oxygen delivery equipment for home use with a prescription reimbursed by Medicare		X	2009 IowaCode§423.3(60)"b"
• Oxygen delivery equipment for home use with a prescription paid for by Medicaid		X	2009 IowaCode§423.3(60)"b"
• Oxygen delivery equipment for home use with a prescription reimbursed by Medicaid		X	2009 IowaCode§423.3(60)"b"
• Kidney dialysis equipment without a prescription		X	2009 IowaCode§423.3(60)"b"and Rule 701-20.9(3)e
• Kidney dialysis equipment with a prescription		X	2009 IowaCode§423.3(60)"b"
• Kidney dialysis equipment with a prescription paid for by Medicare		X	2009 IowaCode§423.3(60)"b"
• Kidney dialysis equipment with a prescription reimbursed by Medicare		X	2009 IowaCode§423.3(60)"b"
• Kidney dialysis equipment with a prescription paid for by Medicaid		X	2009 IowaCode§423.3(60)"b"
• Kidney dialysis equipment with a prescription reimbursed by Medicaid		X	2009 IowaCode§423.3(60)"b"
• Kidney dialysis equipment for home use without a prescription		X	2009 IowaCode§423.3(60)"b"and Rule 701-20.9(3)e
• Kidney dialysis equipment for home use with a prescription		X	2009 IowaCode§423.3(60)"b"
• Kidney dialysis equipment for home use with a prescription paid for by Medicare		X	2009 IowaCode§423.3(60)"b"
• Kidney dialysis equipment for home use with a prescription reimbursed by Medicare		X	2009 IowaCode§423.3(60)"b"
• Kidney dialysis equipment for home use with a prescription paid for by Medicaid		X	2009 IowaCode§423.3(60)"b"
• Kidney dialysis equipment for home use with a prescription reimbursed by Medicaid		X	2009 IowaCode§423.3(60)"b"
• Enteral feeding systems without a prescription	X		2009 IowaCode§423.2(1)
• Enteral feeding systems with a prescription	X		2009 IowaCode§423.3(60)"b"
• Enteral feeding systems with a prescription paid for by Medicare	X		2009 IowaCode§423.3(60)"b"
• Enteral feeding systems with a prescription reimbursed by Medicare	X		2009 IowaCode§423.3(60)"b"
• Enteral feeding systems with a prescription paid for by Medicaid	X		2009 IowaCode§423.3(60)"b"

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• Enteral feeding systems with a prescription reimbursed by Medicaid	X		2009 IowaCode§423.3(60)"b"
• Enteral feeding systems for home use without a prescription	X		2009 IowaCode§423.2(1)
• Enteral feeding systems for home use with a prescription		X	2009 IowaCode§423.3(60)"b"
• Enteral feeding systems for home use with a prescription paid for by Medicare		X	2009 IowaCode§423.3(60)"b"
• Enteral feeding systems for home use with a prescription reimbursed by Medicare		X	2009 IowaCode§423.3(60)"b"
• Enteral feeding systems for home use with a prescription paid for by Medicaid		X	2009 IowaCode§423.3(60)"b"
• Enteral feeding systems for home use with a prescription reimbursed by Medicaid		X	2009 IowaCode§423.3(60)"b"
• Repair and replacement parts for durable medical equipment which are for single patient use		X	2009 IowaCode§423.3(60)"b" Must be for home use and prescribed to be exempt.
Mobility enhancing equipment (indicate how the options are treated in your state)	Taxable	Exempt	Statute/Rule Cite/Comment
• Mobility enhancing equipment without a prescription	X		2009 Iowa Code § 423.3 (60)"c"
• Mobility enhancing equipment with a prescription		X	2009 Iowa Code § 423.3 (60)"c"
• Mobility enhancing equipment with a prescription paid for by Medicare		X	2009 Iowa Code § 423.3 (60)"c"
• Mobility enhancing equipment with a prescription reimbursed by Medicare		X	2009 Iowa Code § 423.3 (60)"c"
• Mobility enhancing equipment with a prescription paid for by Medicaid		X	2009 Iowa Code § 423.3 (60)"c"
• Mobility enhancing equipment with a prescription reimbursed by Medicaid		X	2009 Iowa Code § 423.3 (60)"c"
Prosthetic devices (indicate how the options are treated in your state)	Taxable	Exempt	Statute/Rule Cite/Comment
• Prosthetic devices without a prescription		X	2009 IowaCode§423.3(60)"h"
• Prosthetic devices with a prescription		X	2009 IowaCode§423.3(60)"h"
• Prosthetic devices with a prescription paid for by Medicare		X	2009 IowaCode§423.3(60)"h"
• Prosthetic devices with a prescription reimbursed by Medicare		X	2009 IowaCode§423.3(60)"h"
• Prosthetic devices with a prescription paid for by Medicaid		X	2009 IowaCode§423.3(60)"h"
• Prosthetic devices with a prescription reimbursed by Medicaid		X	2009 IowaCode§423.3(60)"h"
• Corrective eyeglasses without a prescription		X	2009 IowaCode§423.3(60)"h"
• Corrective eyeglasses with a prescription		X	2009 IowaCode§423.3(60)"h"
• Corrective eyeglasses with a prescription paid for by Medicare		X	2009 IowaCode§423.3(60)"h"
• Corrective eyeglasses with a prescription reimbursed by Medicare		X	2009 IowaCode§423.3(60)"h"
• Corrective eyeglasses with a prescription paid for by Medicaid		X	2009 IowaCode§423.3(60)"h"
• Corrective eyeglasses with a prescription reimbursed by Medicaid		X	2009 IowaCode§423.3(60)"h"
• Contact lenses without a prescription		X	2009 IowaCode§423.3(60)"h"
• Contact lenses with a prescription		X	2009 IowaCode§423.3(60)"h"
• Contact lenses with a prescription paid for by Medicare		X	2009 IowaCode§423.3(60)"h"

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• Contact lenses with a prescription reimbursed by Medicare		X	2009 IowaCode§423.3(60)"h"
• Contact lenses with a prescription paid for by Medicaid		X	2009 IowaCode§423.3(60)"h"
• Contact lenses with a prescription reimbursed by Medicaid		X	2009 IowaCode§423.3(60)"h"
• Hearing aids without a prescription		X	2009 IowaCode§423.3(60)"h"
• Hearing aids with a prescription		X	2009 IowaCode§423.3(60)"h"
• Hearing aids with a prescription paid for by Medicare		X	2009 IowaCode§423.3(60)"h"
• Hearing aids with a prescription reimbursed by Medicare		X	2009 IowaCode§423.3(60)"h"
• Hearing aids with a prescription paid for by Medicaid		X	2009 IowaCode§423.3(60)"h"
• Hearing aids with a prescription reimbursed by Medicaid		X	2009 IowaCode§423.3(60)"h"
• Dental prosthesis without a prescription		X	2009 IowaCode§423.3(60)"h"
• Dental prosthesis with a prescription		X	2009 IowaCode§423.3(60)"h"
• Dental prosthesis with a prescription paid for by Medicare		X	2009 IowaCode§423.3(60)"h"
• Dental prosthesis with a prescription reimbursed by Medicare		X	2009 IowaCode§423.3(60)"h"
• Dental prosthesis with a prescription paid for by Medicaid		X	2009 IowaCode§423.3(60)"h"
• Dental prosthesis with a prescription reimbursed by Medicaid		X	2009 IowaCode§423.3(60)"h"
Telecommunications & related products	Taxable	Exempt	Statute/Rule Cite/Comment
• Ancillary Services			
➤ Conference bridging service	X		Rule 701-18.20(7)
○ Detailed telecommunications billing service		X	Rule 701-18.20(7)
○ Directory assistance	X		Rule 701-18.20(7)
➤ Vertical service	X		Rule 701-18.20(7)
➤ Voice mail service	X		Rule 701-18.20(7)
Telecommunications (Indicate how the options are treated in your state)	Taxable	Exempt	Statute/Rule Cite/Comment
• Intrastate Telecommunications Service	X		Rule 701-18.20(7)
• Interstate Telecommunications Service		X	Rule 701-18.20(7)
• International Telecommunications Service		X	Rule 701-18.20(7)
• International 800 service		X	Rule 701-18.20(7)
• International 900 service		X	Rule 701-18.20(7)
• International fixed wireless service		X	Rule 701-18.20(7)
• International mobile wireless service		X	Rule 701-18.20(7)
• International prepaid calling service		X	Rule 701-18.20(7)
• International prepaid wireless calling service		X	Rule 701-18.20(7)
• International private communications service		X	Rule 701-18.20(7)
• International value-added non-voice data service		X	Rule 701-18.20(7)
• International residential telecommunications service		X	Rule 701-18.20(7)

STATE NAME: Iowa

**Streamlined Sales Tax Governing Board
Section 328 Taxability Matrix
Library of Definitions**

Effective Date: 03/ 31/ 2011

• Interstate 800 service		X	Rule 701-18.20(7)
• Interstate 900 service		X	Rule 701-18.20(7)
• Interstate fixed wireless service		X	Rule 701-18.20(7)
• Interstate mobile wireless service		X	Rule 701-18.20(7)
• Interstate prepaid calling service		X	Rule 701-18.20(7)
• Interstate prepaid wireless calling service		X	Rule 701-18.20(7)
• Interstate private communications service		X	Rule 701-18.20(7)
• Interstate value-added non-voice data service		X	Rule 701-18.20(7)
• Interstate residential telecommunications service		X	Rule 701-18.20(7)
• Intrastate 800 service	X		Rule 701-18.20(7)
• Intrastate 900 service	X		Rule 701-18.20(7)
• Intrastate fixed wireless service	X		Rule 701-18.20(7)
• Intrastate mobile wireless service	X		Rule 701-18.20(7)
• Intrastate prepaid calling service	X		Rule 701-18.20(7)
• Intrastate prepaid wireless calling service	X		Rule 701-18.20(7)
• Intrastate private communications service	X		Rule 701-18.20(7)
• Intrastate value-added non-voice data service	X		Rule 701-18.20(7)
• Intrastate residential telecommunications service	X		Rule 701-18.20(7)
• Paging service	X		Rule 701-18.20(7)
• Coin-operated telephone service	X		Rule 701-18.20(7)
• Pay telephone service	X		Rule 701-18.20(7)
• Local Service as defined by _____ (state)	X		Rule 701-18.20(7)
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