



**Department of Revenue**

**Retail Sales and Use Taxes  
Annual Report  
Fiscal Year 2024**

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**IOWA DEPARTMENT OF REVENUE  
RETAIL SALES AND USE TAX ANNUAL REPORT  
FISCAL YEAR 2024  
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## Foreword

Each fiscal year, July 1 to June 30, the Iowa Department of Revenue publishes a quarterly Retail Sales and Use Tax Report for each of the four quarters ending September 30, December 31, March 31, and June 30. This Retail Sales and Use Taxes Annual Report encompasses data for all four fiscal year 2024 quarters, covering sales between July 1, 2023 and June 30, 2024. Quarterly statistical summaries are also provided on the Department's website.

**Tax Collection Distributions:** Information concerning distributions is reported on pages 4 and 5 of this report. In FY 2024, \$4.08 billion in tax was reported on sales and use tax returns filed with the Department of Revenue (see Table 1). Of that tax, 73.3 percent was reported on retail sales tax returns, 17.1 percent on retailer's use tax returns, 1.1 percent on consumer's use tax returns, and 8.5 percent on Remote Seller returns (see Figure 1). There was an increase in the share associated with retail sales and remote sales, while there was a decrease in the share associated with retailer's use and consumer's use over last year. The remote seller's category is for retailers located outside of Iowa who do not have physical nexus in the state; the Department began use of this category in January 2019. The data recorded on sales and use tax returns and aggregated in this report reflects the fiscal year in which the economic activity occurred. In contrast, fiscal year cash receipts include payments that represent economic activity in other fiscal years; thus, numbers in this report do not equal cash receipts for a fiscal year.

**Retail Sales Tax Summary:** This section (pages 6 and 7 of this report) contains a brief history of the development of the Iowa retail sales tax, listing some major legislation that changed the Iowa sales tax base.

Retail sales activity by type of business is classified using the 2017 North American Industry Code Classification System (NAICS). In 1999, the Department of Revenue converted many of the 1987 Standard Industrial Classification (SIC) codes to the appropriate four-digit NAICS code. Where an exact match was not possible, the Department attempted to match as closely as possible with the NAICS codes. However, between the fourth quarter of fiscal year 2013 and the first quarter of fiscal year 2014, the Department reviewed the business class codes assigned to retailers in the sales and use tax database. In that review, approximately 12 percent of retailers were reassigned to a different business class code to more accurately reflect the type of business in which the business was engaged. These business classes comprise the business groups presented in several tables; because of these business class reassignments the data in this report is not comparable to that provided in reports prior to FY 2014. However, the Department has updated historical taxable sales data to be consistent with the current business group classifications; this data is posted by county for FY 2000 through the most recent quarter on [data.iowa.gov](https://data.iowa.gov). In FY 2022 the Department adopted a system that groups Retail sales tax by NAICS 2017 numbers.

**Retail Sales Tax Statistics:** This section (beginning on page 8 of this report) details various aspects of retail sales tax including taxes by city population, filing frequency, and taxable sales (see Tables 2 through 8).

The following retail sales tax data are included in the Excel file that accompanies this annual report: (1) "Retail Sales by County" provides total returns filed, taxable sales and computed tax

as well as a count of unique establishments in each county that filed at least one return during the fiscal year. (2) "Retail Sales by County and City" provides data for all cities in Iowa where at least ten permits were filed during the fiscal year. The "Other" category provides data for all cities in each county not meeting the minimum number of permits required for reporting and any retailers located in unincorporated areas. (3) "Retail Sales by County and Group" provides data by business group for each of twelve business groups for each county. Breakouts are provided for each business group within a county where at least five or more permits were filed in a fiscal year. An "S", representing "Suppressed", is used for any business group that does not have at least five permits. (4) "Retail Sales by Business Classification" provides statewide data for each of the business groups further broken out into 82 business classifications. In order to protect the confidentiality of individual businesses, information for any business classification with fewer than ten permits filed during the fiscal year are aggregated under the "Unclassified" category in the "Miscellaneous" group.

**Use Tax Summary:** This section (page 16) provides a history of the development of the Iowa Use Tax and a summary of the various types of use taxes.

**Use Tax Statistics:** This section begins on page 17 of this report; it contains retailer's use and consumer's use tax receipts in Tables 9 through 11.

The spreadsheet that accompanies the present report contains the following use tax data (1) "Retailer's Use by Business Class" provides sales by out-of-state retailers to Iowa taxpayers by the twelve business groups and 82 business classifications. In order to protect the confidentiality of individual businesses, information for any business classification with fewer than ten permits filed during the fiscal year are aggregated with the "Unclassified" category in the "Miscellaneous" group; (2) "Consumer's Use Tax by Business Class" provides purchases by Iowa taxpayers for each of the business groups further broken out into 82 business classifications. In order to protect the confidentiality of individual businesses, information for any business classification with fewer than ten permits filed during the fiscal year are aggregated and put in the "Unclassified" category in the "Miscellaneous" group; (3) "Consumer's Use Tax by County" provides total returns filed, taxable sales and computed tax on returns filed by taxpayers making taxable purchases out-of-state for use in Iowa during the fiscal year. In addition, a summary of Local Hotel and Motel Tax Receipts by jurisdiction and Motor Vehicle Use Fees reported by County Treasurers are also included.

## Glossary

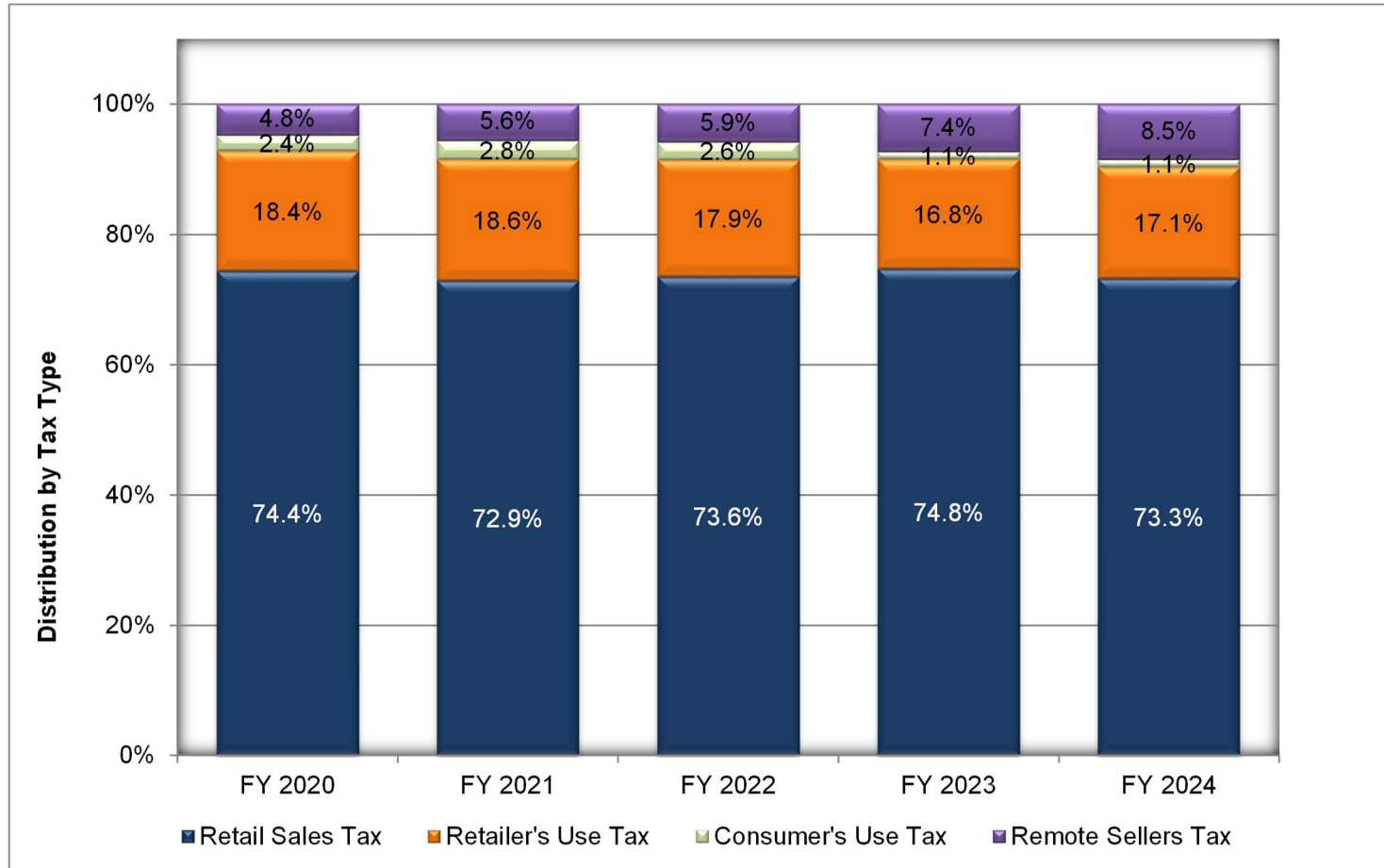
<b>BUSINESS CLASSIFICATION</b>	Business classifications are based on the major type of activity performed by the business. As a result, business classifications may include sales other than normally suggested by the class title. Classifications are based on the 2017 North American Industry Classification System (NAICS).
<b>BUSINESS GROUP</b>	Consolidation of related business classifications into twelve broader business groups.
<b>COMPUTED TAX</b>	The applicable tax rate times the taxable sales.
<b>CONSOLIDATED FILER</b>	A business with multiple locations in Iowa that aggregates sales tax data over all the locations and files a single sales tax return per quarter.
<b>NUMBER OF RETURNS</b>	A count of all quarterly or annual returns filed by a combination of consolidated and nonconsolidated filers during the fiscal year. When state-level data is presented, the number of returns counts each consolidated filer as one return. When county-level and business classification data is presented the number of returns counts each consolidated location separately.
<b>NUMBER OF ESTABLISHMENTS</b>	An establishment is each unique location where business is conducted and which filed at least one tax return during the fiscal year. However, the number of establishments includes each separate location of a consolidated filer even if only one return was filed for all locations.
<b>OTHER</b>	Includes all businesses located in unincorporated areas of a county and those cities with fewer than ten permits filed for the annual report.
<b>TAXABLE SALES</b>	Gross receipts plus the value of taxable goods and services consumed by the business that were purchased tax exempt, minus the amount of tax-exempt sales.
<b>UNCLASSIFIED</b>	Includes all businesses where fewer than five permits were filed for the applicable business classification during the fiscal year. These are included in the "Miscellaneous" business group.

**Table 1. Retail Sales and Use Tax Collections by Tax Type in Millions**

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>Retail Sales Tax</b>	\$2,242.0	\$2,295.2	\$2,327.3	\$2,349.5	\$2,360.3	\$2,332.8	\$2,553.0	\$2,833.2	\$2,962.4	\$2,992.2
<b>Retailer's Use Tax</b>	\$381.6	\$371.2	\$392.9	\$428.4	\$522.0	\$577.5	\$650.6	\$690.0	\$665.2	\$697.1
<b>Consumer's Use Tax</b>	\$75.0	\$78.4	\$72.7	\$78.4	\$79.5	\$74.2	\$99.1	\$102.0	\$42.7	\$46.7
<b>Remote Sellers Tax</b>	\$0.0	\$0.0	\$0.0	\$0.0	\$49.8	\$150.9	\$197.6	\$226.9	\$292.1	\$348.7
<b>FY Totals</b>	\$2,698.6	\$2,744.8	\$2,792.9	\$2,856.3	\$3,011.6	\$3,135.4	\$3,500.3	\$3,852.0	\$3,962.4	\$4,084.6

Note: Collections are based on return data filed by businesses, and are not the same as cash receipts

**Figure 1. Distribution of Sales and Use Tax Collections by Tax Type for Fiscal Years 2020-2024**



## History of Iowa Retail Sales Tax

A 6 percent tax is imposed on the gross receipts received from the retail sales of tangible personal property in Iowa and from receipts received for the performance of certain taxable services in Iowa. The amount of gross receipts is adjusted by adding the value of goods consumed by businesses that were purchased tax exempt and subtracting the amount of any exempt sales.

The Iowa sales tax was first imposed in 1934 at the rate of 2 percent. The tax was imposed only on the gross receipts received from the sale of tangible personal property; the sale of metered gas, electricity, water, and communication services; and the sale of admissions to places of amusement or athletic events. The tax was set to sunset in three years. On April 1, 1937 the tax was made permanent and a use tax was imposed. On July 1, 1955 the rate was increased to 2.5 percent. The rate was dropped back to 2 percent on July 1, 1957 but was increased to 3 percent effective October 1, 1967. The rate was increased to 4 percent on March 1, 1983, and to 5 percent on July 1, 1992. The most recent increase to 6 percent was effective July 1, 2008. The one percent increase to 6 percent is dedicated to school infrastructure and property tax relief, but is set to be repealed December 31, 2029.

Since 1934 there have been many changes to the Iowa sales tax base. Some of the major sales tax base expansions are listed below:

- April 24, 1947: Retail sales tax was imposed on sales of all forms of amusement devices and commercial amusement enterprises.
- January 1, 1966: Extended tax to hotel and motel rooms.
- October 1, 1967: Extended tax to certain services.
- July 1, 1971: Sales of all vehicles subject to registration were made subject to use tax.
- July 1, 1985: An exception to the exemption for food for human consumption was made for candy, candy-coated items, certain beverages, and certain prepared food.
- January 1, 2019: Senate File 2417 expanded the sales and use tax base to include additional types of items and services, including digital goods, ride sharing, subscription services, online sellers, online marketplaces, and online travel company websites. In addition, Senate File 2417 imposed new requirements for the collection of sales and use tax on online marketplace facilitators and out-of-state retailers.

Some of the major exemptions are listed below:

- July 1, 1974: The sales of food purchased for home consumption, prescription drugs, and medical devices were exempted.
- July 1, 1979: Sales by cities and counties were exempted except utility services.
- July 1, 1987: Purchases of certain farm and industrial equipment and machinery were exempted.
- January 1, 2002: Phase out of Iowa sales tax on residential utilities was passed at a rate of 1 percent per year until the phase out was completed January 1, 2006.



## Year in Review

### Summary of FY 2024 Annual Retail Sales Tax Data

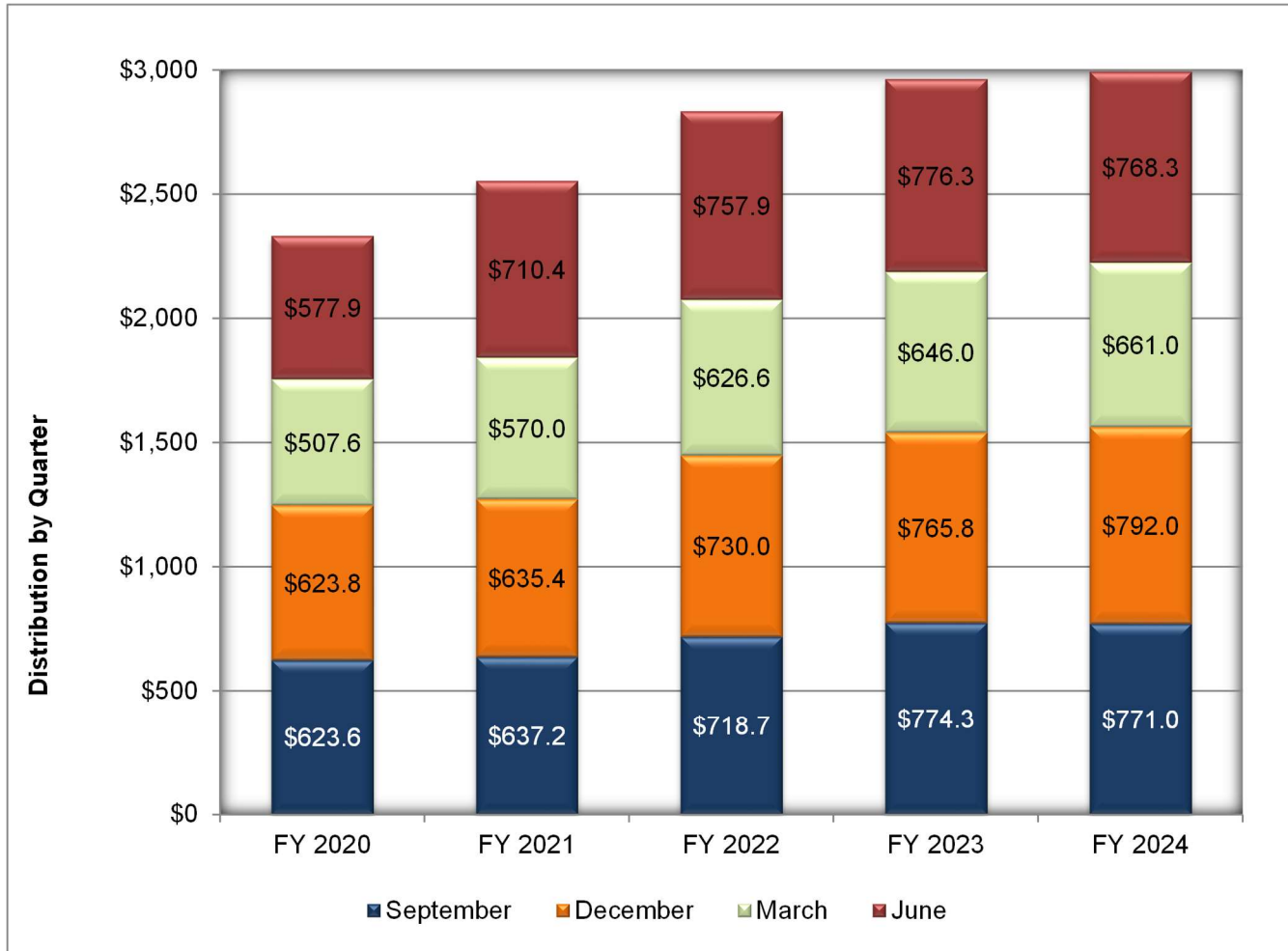
Total retail sales computed tax on returns filed for the fiscal year ending June 30, 2024 was \$2,992.2 million, a 1.01 percent increase from the \$2,962.4 million computed in fiscal year 2023 (see Figure 2). The number of quarterly and annual returns filed increased from 731,067 in fiscal year 2023 to 761,387 in fiscal year 2024, a 4.15 percent increase (see Table 7 & 8). This is due to during fiscal year 2024 the Department instituted monthly returns for a majority of filers.

**Table 2. Distribution of Retail Sales Tax Collections by Quarter**

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
September	25.7%	25.7%	25.8%	25.8%	26.5%	26.7%	25.0%	25.4%	26.1%	25.8%
December	26.3%	26.1%	26.2%	26.0%	26.4%	26.7%	24.9%	25.8%	25.8%	26.5%
March	22.1%	22.2%	21.9%	22.0%	21.2%	21.8%	22.3%	22.1%	21.8%	22.1%
June	25.9%	26.0%	26.0%	26.2%	25.9%	24.8%	27.8%	26.8%	26.2%	25.7%
FY Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Collections are based on return data filed by businesses, and are not the same as cash receipts

**Figure 2. Retail Sales Tax Collections in Millions by Quarter Fiscal Years 2020-2024**



**Table 3. Retail Sales Tax by City Population Fiscal Year 2024**

<b>City Population</b>	<b>Number of \$0 Returns</b>	<b>Number of Returns over \$0</b>	<b>Total Number of Returns</b>	<b>Percent of Returns</b>	<b>Growth in Returns From FY 2023</b>	<b>Computed Tax</b>	<b>Percent of Tax</b>	<b>Growth in Tax From FY 2023</b>
50,000 and Above	42,226	164,114	206,340	27.10%	3.82%	\$1,258,953,913	42.07%	1.09%
25,000 to 50,000	14,303	54,975	69,278	9.10%	3.86%	\$341,612,297	11.42%	0.23%
10,000 to 25,000	20,808	89,088	109,896	14.43%	4.62%	\$565,541,246	18.90%	1.33%
5,000 to 10,000	19,288	81,891	101,179	13.29%	3.72%	\$309,501,554	10.34%	0.99%
2,500 to 5,000	11,906	55,722	67,628	8.88%	3.88%	\$176,081,902	5.88%	1.36%
1,000 to 2,500	16,115	68,162	84,277	11.07%	4.21%	\$151,899,258	5.08%	0.17%
500 to 1,000	9,903	42,476	52,379	6.88%	4.61%	\$83,559,331	2.79%	1.27%
Less than 500	11,306	40,796	52,102	6.84%	4.88%	\$72,719,523	2.43%	0.72%
Unincorporated Areas	4,434	13,874	18,308	2.40%	5.80%	\$32,355,173	1.08%	2.54%
<b>State Totals</b>	<b>150,289</b>	<b>611,098</b>	<b>761,387</b>		<b>4.15%</b>	<b>\$2,992,224,198</b>		<b>1.01%</b>

Percentages may not equal 100% due to rounding

**Table 4. Retail Sales Tax by Filing Frequency Fiscal Year 2024**

<b>Sales Tax Filing Frequency</b>	<b>Number of \$0 Returns</b>	<b>Number of Returns over \$0</b>	<b>Total Number of Returns</b>	<b>Distribution of Quarterly or Annual</b>	<b>Growth in Quarterly or Annual Returns From</b>	<b>Computed Tax</b>	<b>Distribution of Quarterly or Annual Computed Tax</b>	<b>Growth in Tax From FY 2023</b>
Monthly	142,278	590,404	732,682	96.23%	5.74%	\$2,979,624,885	99.58%	0.80%
Annually	7,468	20,117	27,585	3.62%	-26.54%	\$11,682,894	0.39%	90.54%
Seasonal	543	577	1,120	0.15%	79.49%	\$916,419	0.03%	0.00%
<b>Total</b>	<b>150,289</b>	<b>611,098</b>	<b>761,387</b>	<b>100.0%</b>	<b>4.15%</b>	<b>\$2,992,224,198</b>	<b>100.00%</b>	<b>1.01%</b>

**Notes:**

Monthly: Businesses that remit more than \$1,200 per year in sales and use tax are required to remit tax receipts electronically once per month due on or before the last day of the following month.

Annually: Businesses that remit less than \$1,200 per year in sales and use tax are required to remit tax receipts and a return on or before January 31 each calendar year electronically or by paper.

Seasonal: Businesses that remit more than \$1,200 in sales and use tax in four or less months per year are required to remit tax receipts electronically, and it is due on or before the last day of the following month.

**Table 5. Retail Taxable Sales and Tax by Amount of Taxable Sales Reported on Quarterly or Annual Returns Fiscal Year 2024**

<b>Amount of Taxable Sales</b>	<b>Number of Returns</b>	<b>Taxable Sales</b>	<b>Computed Tax</b>	<b>Percent of Tax</b>
\$0 returns	87,044	\$0	\$0	0.00%
\$0-\$499	12,417	\$579,454	\$34,743	0.00%
\$500-\$999	5,235	\$1,307,890	\$78,440	0.00%
\$1,000-\$1,999	8,004	\$3,869,352	\$231,856	0.01%
\$2,000-\$2,999	6,300	\$5,157,646	\$308,912	0.01%
\$3,000-\$3,999	5,601	\$6,215,715	\$372,315	0.01%
\$4,000-\$4,999	4,948	\$6,648,806	\$398,158	0.01%
\$5,000-\$9,999	18,497	\$37,770,067	\$2,262,595	0.08%
\$10,000-\$24,999	47,367	\$142,461,489	\$8,532,903	0.29%
\$25,000-\$49,999	77,749	\$285,851,613	\$17,124,500	0.57%
\$50,000-\$99,999	89,179	\$582,755,814	\$34,922,429	1.17%
\$100,000-\$249,999	110,688	\$1,590,190,173	\$95,298,256	3.18%
\$250,000-\$499,999	84,569	\$2,591,145,508	\$155,103,218	5.18%
\$500,000-\$999,999	78,292	\$4,665,355,787	\$278,846,183	9.32%
\$1,000,000-\$1,999,999	65,521	\$7,640,486,821	\$456,850,990	15.27%
\$2,000,000-\$4,999,999	42,280	\$10,170,040,091	\$606,610,552	20.27%
\$5,000,000-\$9,999,999	10,390	\$5,729,140,009	\$342,394,313	11.44%
\$10,000,000 and Above	7,306	\$16,576,665,846	\$992,853,835	33.18%
<b>State Totals</b>	<b>761,387</b>	<b>\$50,035,642,081</b>	<b>\$2,992,224,198</b>	<b>100.00%</b>

Percentages may not sum to totals due to rounding.

The total number of returns does not equal totals presented in the other tables of the report because consolidated returns are counted as only one return in this table.

**Table 6. Total Retail Sales and Exempt Sales by Amount of Total Sales Reported on Quarterly or Annual Returns Fiscal Year 2024**

<b>Amount of Total Sales</b>	<b>Number of Returns</b>	<b>Total Sales</b>	<b>Percent of Total Sales</b>	<b>Exempt Sales</b>	<b>Exempt Sales as Percent of Total Sales</b>
\$0 returns	87,044	\$0	0.00%	\$0	0.00%
\$0-\$499	5,439	\$455,981	0.00%	\$27,819	6.10%
\$500-\$999	4,114	\$1,062,920	0.00%	\$62,093	5.84%
\$1,000-\$1,999	6,397	\$3,187,420	0.00%	\$229,340	7.20%
\$2,000-\$2,999	5,101	\$4,265,370	0.00%	\$316,906	7.43%
\$3,000-\$3,999	4,581	\$5,294,352	0.00%	\$413,706	7.81%
\$4,000-\$4,999	3,845	\$5,423,124	0.00%	\$437,084	8.06%
\$5,000-\$9,999	15,101	\$32,792,886	0.02%	\$3,154,620	9.62%
\$10,000-\$24,999	38,381	\$126,916,499	0.07%	\$13,614,133	10.73%
\$25,000-\$49,999	64,531	\$260,106,573	0.15%	\$33,136,319	12.74%
\$50,000-\$99,999	76,688	\$543,060,300	0.31%	\$85,257,292	15.70%
\$100,000-\$249,999	99,829	\$1,566,299,104	0.89%	\$342,521,968	21.87%
\$250,000-\$499,999	81,893	\$2,687,150,685	1.52%	\$677,201,048	25.20%
\$500,000-\$999,999	80,504	\$5,127,764,803	2.90%	\$1,445,015,532	28.18%
\$1,000,000-\$1,999,999	70,327	\$8,708,807,631	4.93%	\$2,977,410,498	34.19%
\$2,000,000-\$4,999,999	58,213	\$15,678,120,639	8.87%	\$7,465,205,745	47.62%
\$5,000,000-\$9,999,999	25,958	\$16,085,631,629	9.10%	\$10,072,287,359	62.62%
\$10,000,000 and Above	33,441	\$125,965,487,286	71.25%	\$103,649,893,656	82.28%
<b>State Totals</b>	<b>761,387</b>	<b>\$176,801,827,202</b>		<b>\$126,766,185,118</b>	<b>71.70%</b>

Total Sales = Gross Sales + Goods Consumed

Gross Sales are all sales of a business.

Goods Consumed are goods originally purchased tax free by a business for direct resale or to be incorporated for resale but were used in the course of business or for personal use.

Exempt sales are sales made by the business in which sales tax was not required to be charged.

Taxable Sales = (Gross Sales + Goods Consumed-Exempt Sales)

The total number of returns does not equal totals presented in the other tables.

**Table 7. Retail Sales Tax by Amount of Tax Due Reported on Quarterly or Annual Returns Fiscal Year 2024**

<b>Amount of Tax Due</b>	<b>Number of Returns</b>	<b>Percent of Returns</b>	<b>Growth in Returns From FY 2023</b>	<b>Computed Tax</b>	<b>Percent of Tax</b>	<b>Growth in Tax From FY 2023</b>
\$0 returns	92,683	12.17%	19.10%	\$0	0.00%	0.00%
\$0 - \$24	5,974	0.78%	11.46%	\$25,052	0.00%	-16.55%
\$25 - \$49	4,702	0.62%	10.90%	\$59,809	0.00%	-14.56%
\$50 - \$99	7,154	0.94%	-2.16%	\$178,129	0.01%	-19.90%
\$100 - \$149	5,674	0.75%	-7.24%	\$230,259	0.01%	-20.54%
\$150 - \$199	4,990	0.66%	-3.95%	\$284,536	0.01%	-15.84%
\$200 - \$249	4,589	0.60%	2.07%	\$320,764	0.01%	-12.23%
\$250 - \$499	16,815	2.21%	-7.67%	\$1,799,697	0.06%	-14.42%
\$500 - \$999	26,576	3.49%	11.12%	\$4,396,062	0.15%	15.56%
\$1,000 - \$1,499	26,666	3.50%	11.70%	\$4,950,326	0.17%	31.15%
\$1,500 - \$1,999	29,067	3.82%	6.03%	\$5,522,376	0.18%	11.56%
\$2,000 - \$2,499	25,996	3.41%	1.19%	\$5,699,694	0.19%	3.05%
\$2,500 - \$2,999	22,758	2.99%	1.40%	\$5,935,498	0.20%	2.24%
\$3,000 - \$3,999	37,814	4.97%	8.75%	\$12,194,130	0.41%	8.10%
\$4,000 - \$4,999	28,379	3.73%	0.80%	\$11,516,097	0.38%	-0.52%
\$5,000 - \$9,999	84,891	11.15%	2.70%	\$54,371,992	1.82%	1.75%
\$10,000 - \$24,999	111,549	14.65%	0.57%	\$157,177,005	5.25%	-0.02%
\$25,000 - \$49,999	80,555	10.58%	1.57%	\$240,573,282	8.04%	1.59%
\$50,000 - \$99,999	70,450	9.25%	0.68%	\$414,996,613	13.87%	0.68%
\$100,000 - \$199,999	44,645	5.86%	0.80%	\$504,248,226	16.85%	0.50%
\$200,000 - \$499,999	20,441	2.68%	0.57%	\$497,618,043	16.63%	-0.33%
\$500,000 - \$999,999	4,908	0.64%	6.72%	\$276,222,772	9.23%	7.69%
\$1,000,000 and Above	4,111	0.54%	3.47%	\$793,903,837	26.53%	-0.15%
<b>State Totals</b>	<b>761,387</b>		<b>4.15%</b>	<b>\$2,992,224,199</b>		<b>1.01%</b>

Percentages may not sum to totals due to rounding.

The total number of returns does not equal totals presented in the other tables of the report because consolidated returns are counted as only one return in this table.



**Table 8. Change in Retail Sales Tax Returns, Establishments and Computed Tax by Business Group for Fiscal Years 2023 and 2024**

Number of Returns							
Business Group	Number of \$0 Returns	Number of Returns over \$0	Total Number of Returns FY 2023	Number of \$0 Returns	Number of Returns over \$0	Total Number of Returns FY 2024	Percent Change
Apparel	3,155	13,412	16,567	3,260	13,325	16,585	0.11%
Building Materials	652	12,048	12,700	593	11,720	12,313	-3.05%
Eating and Drinking	6,732	80,226	86,958	8,847	82,540	91,387	5.09%
Food Dealers	2,947	32,985	35,932	3,463	32,514	35,977	0.13%
General Merchandise	705	9,311	10,016	884	9,576	10,460	4.43%
Home Furnishings	1,362	11,728	13,090	1,683	10,897	12,580	-3.90%
Miscellaneous	17,547	111,126	128,673	22,183	114,002	136,185	5.84%
Motor Vehicle	1,126	19,180	20,306	1,095	19,152	20,247	-0.29%
Services	21,709	225,671	247,380	25,064	230,497	255,561	3.31%
Specialty Retail	11,197	82,336	93,533	13,126	88,374	101,500	8.52%
Utilities and Transportator	2,542	32,502	35,044	2,848	32,645	35,493	1.28%
Wholesale	2,882	27,986	30,868	3,998	29,101	33,099	7.23%
<b>State Totals</b>	<b>72,556</b>	<b>658,511</b>	<b>731,067</b>	<b>87,044</b>	<b>674,343</b>	<b>761,387</b>	<b>4.15%</b>

Number of Establishments							
Business Group	Number of \$0 Establishments	Number of Establishments over \$0	Total Number of Establishments FY 2023	Number of \$0 Establishments	Number of Establishments over \$0	Total Number of Establishments FY 2024	Percent Change
Apparel	550	1,497	2,047	506	1,436	1,942	-5.13%
Building Materials	141	1,241	1,382	136	1,210	1,346	-2.60%
Eating and Drinking	1,017	7,699	8,716	1,217	7,760	8,977	2.99%
Food Dealers	415	3,051	3,466	453	2,976	3,429	-1.07%
General Merchandise	137	916	1,053	149	924	1,073	1.90%
Home Furnishings	257	1,223	1,480	285	1,101	1,386	-6.35%
Miscellaneous	3,735	14,029	17,764	3,903	13,955	17,858	0.53%
Motor Vehicle	307	1,914	2,221	276	1,876	2,152	-3.11%
Services	5,428	27,783	33,211	5,302	27,479	32,781	-1.29%
Specialty Retail	3,458	12,212	15,670	3,129	12,227	15,356	-2.00%
Utilities and Transportator	516	3,448	3,964	510	3,387	3,897	-1.69%
Wholesale	731	3,041	3,772	750	3,078	3,828	1.48%
<b>State Totals</b>	<b>16,692</b>	<b>78,054</b>	<b>94,746</b>	<b>16,616</b>	<b>77,409</b>	<b>94,025</b>	<b>-0.76%</b>

Computed Tax			
Business Group	FY 2023	FY 2024	Percent Change
Apparel	\$67,508,295	\$67,761,756	0.38%
Building Materials	\$261,374,751	\$251,386,568	-3.82%
Eating and Drinking	\$323,900,787	\$338,964,883	4.65%
Food Dealers	\$299,255,676	\$303,157,857	1.30%
General Merchandise	\$289,327,548	\$292,074,932	0.95%
Home Furnishings	\$91,132,345	\$85,150,060	-6.56%
Miscellaneous	\$305,142,060	\$318,701,614	4.44%
Motor Vehicle	\$154,771,605	\$155,471,222	0.45%
Services	\$420,292,505	\$433,501,888	3.14%
Specialty Retail	\$266,544,309	\$276,738,604	3.82%
Utilities and Transportator	\$219,976,665	\$211,486,627	-3.86%
Wholesale	\$263,203,725	\$257,828,189	-2.04%
<b>State Totals</b>	<b>\$2,962,430,271</b>	<b>\$2,992,224,200</b>	<b>1.01%</b>

The number of returns counts total quarterly or annual returns filed by businesses. The number of establishments counts the unique number of businesses that filed at least one return during the fiscal year.

Computed tax equals taxable goods and services subject to the 6% State sales tax multiplied by that rate plus hotel/motel room rentals and qualified construction equipment purchases subject to the 5% State excise tax multiplied by that rate.

## History of Iowa Use Taxes

Effective July 1, 2008, Iowa raised the use tax to 6 percent of the purchase price of tangible personal property which is purchased outside of Iowa for use in Iowa. The tax is also owed on taxable services purchased outside of Iowa when such services or the result of such services are used in Iowa.

A use tax was first imposed in Iowa in 1937 in conjunction with the permanent adoption of the sales tax. Since its adoption, the development of the use tax has generally paralleled that of the sales tax both in terms of tax base and rates. Credits are provided, however, against the amount of use tax due in Iowa for any sales, use, or occupational taxes paid to another state.

Iowa use tax is collected under two complementary use taxes: Retailer's Use Tax and Consumer's Use Tax. Beginning July 1, 2008, the Motor Vehicle Use Tax was replaced with a one-time registration fee on new and used vehicles.

(1) Retailer's Use Tax is collected by registered retailers from the purchaser on the sale of all taxable tangible property and services. Retailers located outside of the State who maintain a place of business in Iowa are required to register with the Department of Revenue and collect the tax on all sales made into Iowa.

(2) Consumer's Use Tax is paid by individuals or businesses that purchase taxable goods or services outside of Iowa for use in the State. Individuals or businesses that regularly purchase taxable goods or services of property on which the tax has not been paid are required to file a quarterly Consumer's Use Tax return in conjunction with payment of the tax. Individuals who make occasional taxable purchases for use in Iowa are also required to remit Consumer's Use Tax, but do not need to register for a use tax permit.

(3) A 5 percent one-time registration fee is imposed on the sale of new and used motor vehicles which are subject to registration in Iowa. The tax is imposed on the taxable price which is the delivered price less cash discounts and the value of any traded property. Payment of the tax is made to the County Treasurer where the vehicle is registered. Credits are also provided for sales or use taxes paid on motor vehicles to other states.

**Table 9. Iowa Use Taxes Fiscal Year 2024**

<b>Retailer's Use Tax by Business Group</b>					
<b>Business Group</b>	<b>Number of Returns</b>	<b>Percent of Returns</b>	<b>Taxable Sales</b>	<b>Computed Tax</b>	<b>Percent of Tax</b>
Apparel	419	0.44%	\$37,351,441	\$2,241,086	0.32%
Building Materials	662	0.70%	\$39,088,777	\$2,345,327	0.34%
Eating and Drinking	214	0.23%	\$21,620,376	\$1,297,223	0.19%
Food Dealers	114	0.12%	\$3,846,528	\$230,792	0.03%
General Merchandise	111	0.12%	\$347,673,929	\$20,860,436	2.99%
Home Furnishings	775	0.82%	\$105,883,179	\$6,352,991	0.91%
Miscellaneous	65,878	69.43%	\$4,721,701,740	\$283,302,108	40.64%
Motor Vehicle	396	0.42%	\$43,139,975	\$2,588,399	0.37%
Services	12,715	13.40%	\$1,065,827,195	\$63,949,633	9.17%
Specialty Retail	5,201	5.48%	\$4,024,914,115	\$241,494,847	34.64%
Utilities and Transportation	843	0.89%	\$407,852,698	\$24,471,162	3.51%
Wholesale	7,556	7.96%	\$798,820,769	\$47,929,247	6.88%
<b>State Totals</b>	<b>94,884</b>		<b>\$11,617,720,722</b>	<b>\$697,063,251</b>	

Computed tax equals taxable goods and services subject to the 6% State sales tax multiplied by that rate plus hotel/motel room rentals and qualified construction equipment purchases subject to the 5% State excise tax multiplied by that rate.

**Comparison of Use Taxes  
Fiscal Year 2023 and 2024**

<b>Use Tax</b>	<b>2023</b>	<b>2024</b>	<b>Percentage Change</b>
<b>Retailer's</b>			
Number of Returns	97,022	94,884	-2.20%
Computed Tax	\$665,234,280	\$697,063,251	4.78%
<b>Consumer's</b>			
Number of Returns	10,465	9,802	-6.34%
Computed Tax	\$42,668,789	\$46,660,518	9.36%
<b>Motor Vehicle</b>			
Number of Units	unk	unk	unk
Fee	\$462,714,758	\$471,718,590	1.95%

**Table 10. Retailer's Use Tax by Amount of Tax Due on Quarterly or Annual Returns  
Fiscal Year 2024**

<b>Amount of Tax Due</b>	<b>Number of Returns</b>	<b>Percent of Returns</b>	<b>Computed Tax</b>	<b>Percent of Tax</b>	<b>Growth in Tax From FY 2023</b>
\$0 returns	18,320	19.31%	\$0	0.00%	0.00%
\$0 - \$24	1,095	1.15%	\$4,484	0.00%	-11.54%
\$25 - \$49	526	0.55%	\$8,514	0.00%	-19.44%
\$50 - \$99	796	0.84%	\$23,262	0.00%	-21.63%
\$100 - \$149	676	0.71%	\$34,009	0.00%	-9.69%
\$150 - \$199	546	0.58%	\$36,297	0.01%	-14.88%
\$200 - \$249	508	0.54%	\$36,960	0.01%	-23.06%
\$250 - \$499	1,973	2.08%	\$226,289	0.03%	-18.94%
\$500 - \$999	3,380	3.56%	\$556,711	0.08%	2.97%
\$1,000 - \$1,499	3,128	3.30%	\$619,413	0.09%	12.55%
\$1,500 - \$1,999	2,660	2.80%	\$614,957	0.09%	2.01%
\$2,000 - \$2,499	2,545	2.68%	\$658,130	0.09%	-6.19%
\$2,500 - \$2,999	2,344	2.47%	\$680,212	0.10%	4.73%
\$3,000 - \$3,999	3,881	4.09%	\$1,440,264	0.21%	1.74%
\$4,000 - \$4,999	3,436	3.62%	\$1,455,988	0.21%	-11.06%
\$5,000 - \$9,999	11,105	11.70%	\$7,630,344	1.09%	-1.72%
\$10,000 - \$24,999	14,040	14.80%	\$20,822,912	2.99%	0.02%
\$25,000 - \$49,999	8,608	9.07%	\$27,147,551	3.89%	-2.81%
\$50,000 - \$99,999	6,530	6.88%	\$40,402,733	5.80%	1.13%
\$100,000 - \$199,999	4,045	4.26%	\$49,166,675	7.05%	0.56%
\$200,000 - \$499,999	2,935	3.09%	\$78,112,473	11.21%	8.91%
\$500,000 - \$999,999	1,123	1.18%	\$66,552,575	9.55%	1.37%
\$1,000,000 and Above	684	0.72%	\$400,832,496	57.50%	6.62%
<b>State Totals</b>	<b>94,884</b>		<b>\$697,063,249</b>		<b>4.78%</b>

**Table 11. Consumer's Use Tax by Amount of Tax Due on Quarterly or Annual Returns  
Fiscal Year 2024**

<b>Amount of Tax Due</b>	<b>Number of Returns</b>	<b>Percent of Returns</b>	<b>Computed Tax</b>	<b>Percent of Tax</b>	<b>Growth in Tax From FY 2023</b>
\$0 returns	2,742	27.97%	\$0	0.00%	0.00%
\$0 - \$24	140	1.43%	\$1,309	0.00%	-11.43%
\$25 - \$49	118	1.20%	\$2,740	0.01%	-25.28%
\$50 - \$99	132	1.35%	\$6,224	0.01%	-36.46%
\$100 - \$149	105	1.07%	\$7,986	0.02%	-25.98%
\$150 - \$199	179	1.83%	\$14,890	0.03%	-21.24%
\$200 - \$249	84	0.86%	\$8,716	0.02%	-13.42%
\$250 - \$499	261	2.66%	\$46,810	0.10%	12.44%
\$500 - \$999	471	4.81%	\$101,785	0.22%	36.29%
\$1,000 - \$1,499	287	2.93%	\$79,389	0.17%	-10.98%
\$1,500 - \$1,999	263	2.68%	\$68,212	0.15%	-5.40%
\$2,000 - \$2,499	277	2.83%	\$78,072	0.17%	5.65%
\$2,500 - \$2,999	370	3.77%	\$111,813	0.24%	78.65%
\$3,000 - \$3,999	280	2.86%	\$129,634	0.28%	9.12%
\$4,000 - \$4,999	263	2.68%	\$126,345	0.27%	-22.00%
\$5,000 - \$9,999	747	7.62%	\$527,502	1.13%	-16.93%
\$10,000 - \$24,999	1,147	11.70%	\$1,789,043	3.83%	2.25%
\$25,000 - \$49,999	747	7.62%	\$2,537,998	5.44%	2.86%
\$50,000 - \$99,999	424	4.33%	\$2,646,707	5.67%	1.62%
\$100,000 - \$199,999	259	2.64%	\$2,990,075	6.41%	-17.03%
\$200,000 - \$499,999	199	2.03%	\$5,211,424	11.17%	-31.51%
\$500,000 - \$999,999	175	1.79%	\$10,104,711	21.66%	2.12%
\$1,000,000 and Above	132	1.35%	\$20,069,132	43.01%	50.27%
<b>State Totals</b>	<b>9,802</b>		<b>\$46,660,517</b>		<b>9.36%</b>

**Table 12. Remote Sellers Tax by Amount of Tax Due on Quarterly or Annual Returns  
Fiscal Year 2024**

<b>Amount of Tax Due</b>	<b>Number of Returns</b>	<b>Percent of Returns</b>	<b>Computed Tax</b>	<b>Percent of Tax</b>	<b>Growth in Tax From FY 2023</b>
\$0 returns	54,002	29.87%	\$0	0.00%	0.00%
\$0 - \$24	4,545	2.51%	\$7,910	0.00%	19.09%
\$25 - \$49	2,681	1.48%	\$16,866	0.00%	10.80%
\$50 - \$99	3,062	1.69%	\$39,749	0.01%	7.15%
\$100 - \$149	2,487	1.38%	\$48,793	0.01%	1.07%
\$150 - \$199	2,407	1.33%	\$62,988	0.02%	21.73%
\$200 - \$249	1,798	0.99%	\$67,503	0.02%	5.74%
\$250 - \$499	6,962	3.85%	\$378,518	0.11%	10.76%
\$500 - \$999	9,404	5.20%	\$956,527	0.27%	18.05%
\$1,000 - \$1,499	7,821	4.33%	\$1,143,706	0.33%	23.16%
\$1,500 - \$1,999	6,498	3.59%	\$1,261,221	0.36%	32.68%
\$2,000 - \$2,499	4,907	2.71%	\$1,168,679	0.34%	13.56%
\$2,500 - \$2,999	4,499	2.49%	\$1,264,409	0.36%	26.23%
\$3,000 - \$3,999	7,639	4.23%	\$2,684,066	0.77%	20.27%
\$4,000 - \$4,999	5,854	3.24%	\$2,548,072	0.73%	12.82%
\$5,000 - \$9,999	18,446	10.20%	\$12,466,047	3.58%	16.26%
\$10,000 - \$24,999	19,220	10.63%	\$27,938,834	8.01%	20.50%
\$25,000 - \$49,999	8,594	4.75%	\$26,932,659	7.72%	9.69%
\$50,000 - \$99,999	4,780	2.64%	\$28,560,239	8.19%	25.81%
\$100,000 - \$199,999	2,727	1.51%	\$33,603,621	9.64%	18.38%
\$200,000 - \$499,999	1,447	0.80%	\$39,014,443	11.19%	21.86%
\$500,000 - \$999,999	459	0.25%	\$25,493,101	7.31%	7.11%
\$1,000,000 and Above	528	0.29%	\$143,033,838	41.02%	22.33%
<b>State Totals</b>	<b>180,767</b>		<b>\$348,691,789</b>		<b>19.39%</b>