



## Fiscal Services Division

### ADMINISTRATIVE RULES — FISCAL IMPACT SUMMARIES

July 11, 2023

Iowa Code section 17A.4(4) requires the Legislative Services Agency (LSA) to analyze the fiscal impact of all administrative rules with an impact of \$100,000 or more and provide a summary of the impact to the Administrative Rules Review Committee (ARRC). Fiscal Impact Statements filed by State agencies can be found on our website at [www.legis.iowa.gov/publications/fiscal/adminRulesFiscalImpact](http://www.legis.iowa.gov/publications/fiscal/adminRulesFiscalImpact).

With each rule summary, the rulemaking type is indicated in parentheses following the ARC number. The acronyms have the following meanings: Notice of Intended Action (**NOIA**), Amended Notice of Intended Action (**ANOIA**), Notice of Termination (**NOT**), Adopted and Filed Emergency (**AFE**), Filed Emergency After Notice (**FEAN**), and Adopted and Filed (**AF**).

Table of Contents	
Agency	Page
Economic Development Authority	1

#### Economic Development Authority

#### **ARC 7039C (NOIA)**

**Rule Summary** Establishes an Employer Child Care Tax Credit equal to the proportion of the federal employer-provided child care tax credit for which the employer was eligible in the same tax year attributable to expenditures made in Iowa. The aggregate amount of tax credits authorized annually is \$2.0 million. The new chapter also describes how the proportion of the federal credit attributable to expenditures in Iowa will be calculated and outlines the application process for the credit.

**State or Federal Law Implemented:** 2022 Iowa Acts, House File 2564, Division V (FY 2023 Economic Development Appropriations Act).

**Fiscal Impact** **Agency Response:** No fiscal impact beyond that of the legislation the rulemaking seeks to implement.

**LSA Response:** The LSA concurs. The **Notes on Bills and Amendments** (NOBA) for HF 2564 estimates a decrease in revenue to the General Fund of \$40,000 in FY 2023, \$800,000 in FY 2024, and \$740,000 in FY 2025, and revenues will decrease further in future fiscal years by the rate of inflation.

LSA Staff Contact: Evan Johnson (515.281.6301) [evan.johnson@legis.iowa.gov](mailto:evan.johnson@legis.iowa.gov)