

3. Placement of a warning device pursuant to this section does not relieve the owner of a railroad track from any duties required under chapter 317 or section 327F.27.

4. A violation of this section is punishable as a schedule "one" penalty under section 327C.5.

5. This section does not apply to a railroad that operates locomotives powered by overhead or suspended electric power lines.

6. The department of transportation shall adopt rules to implement this section. Notwithstanding any other provision, the department of transportation shall be allowed to enter any property on which railroad track is located for the purpose of administering and enforcing this section. Entry upon any private property shall be with knowledge and notice to the property owner.

7. This section only applies to a location where a close-clearance warning device is required to be placed pursuant to rules of the department when funds are available from the department to reimburse the owner of the railroad track for the cost of the close-clearance warning device, including cost of installation.

Approved May 21, 2007

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## CHAPTER 165

### HISTORIC PRESERVATION AND CULTURAL AND ENTERTAINMENT DISTRICT TAX CREDITS

*S.F. 566*

**AN ACT** relating to historic preservation and cultural and entertainment district tax credits, and providing applicability date provisions.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 404A.1, subsection 1, Code 2007, is amended to read as follows:

1. A historic preservation and cultural and entertainment district tax credit, subject to the availability of the credit, is granted against the tax imposed under chapter 422, division II, III, or V, or chapter 432, for the rehabilitation of eligible property located in this state as provided in this chapter. Tax credits in excess of tax liabilities shall be refunded or credited as provided in section 404A.4, subsection 3.

Sec. 2. Section 404A.4, subsection 3, Code 2007, is amended to read as follows:

3. A person receiving a historic preservation and cultural and entertainment district tax credit under this chapter which is in excess of the person's tax liability for the tax year is entitled to a refund ~~of the excess at a discounted value. The discounted value of the tax credit refund, as calculated by the department of economic development, in consultation with the department of revenue, shall be determined based on the discounted value of the tax credit five years after the tax year of the project completion at an interest rate equivalent to the prime rate plus two percent. The refunded tax credit shall not exceed seventy-five percent of the allowable tax credit. Any credit in excess of the tax liability shall be refunded with interest computed under section 422.25. In lieu of claiming a refund, a taxpayer may elect to have the overpayment shown on the taxpayer's final, completed return credited to the tax liability for the following year.~~

Sec. 3. Section 404A.4, subsection 4, Code 2007, is amended to read as follows:

4. The total amount of tax credits that may be approved for a fiscal year under this chapter

shall not exceed ~~two ten million four hundred thousand~~ dollars in the fiscal year beginning July 1, 2007, ~~fifteen million~~ dollars in the fiscal year beginning July 1, 2008, and ~~twenty million~~ dollars in the fiscal year beginning July 1, 2009, and each fiscal year thereafter. For the fiscal period beginning July 1, 2005, and ending June 30, 2015, an additional four million dollars of tax credits may be approved each fiscal year for purposes of projects located in cultural and entertainment districts certified pursuant to section 303.3B. Of the tax credits approved for a fiscal year under this chapter, ten percent of the dollar amount of tax credits shall be allocated for purposes of new projects with qualified costs of five hundred thousand dollars or less, and forty percent of the dollar amount of tax credits shall be allocated for purposes of new projects located in cultural and entertainment districts certified pursuant to section 303.3B or identified in Iowa great places agreements developed pursuant to section 303.3C. Any of the additional tax credits allocated for projects located in certified cultural and entertainment districts or identified in Iowa great places agreements and for projects with a cost of five hundred thousand dollars or less that are not approved reserved during a fiscal year shall be applied to reserved tax credits issued in accordance with section 404A.3 in order of original reservation. The department of cultural affairs shall establish by rule the procedures for the application, review, selection, and awarding of certifications of completion. The departments of ~~economic development~~, cultural affairs, and revenue shall each adopt rules to jointly administer this subsection and shall provide by rule for the method to be used to determine for which fiscal year the tax credits are available. With the exception of tax credits issued pursuant to contracts entered into prior to July 1, ~~2005~~ 2007, tax credits shall not be reserved for more than ~~five~~ three years.

Sec. 4. Section 422.11D, subsection 1, Code 2007, is amended to read as follows:

1. The taxes imposed under this division, less the credits allowed under sections 422.12 and 422.12B, shall be reduced by a historic preservation and cultural and entertainment district tax credit equal to the amount as computed under chapter 404A for rehabilitating eligible property. Any credit in excess of the tax liability shall be refunded or credited to the following year, as provided in section 404A.4, subsection 3.

Sec. 5. Section 422.33, subsection 10, paragraph a, Code 2007, is amended to read as follows:

a. The taxes imposed under this division shall be reduced by a historic preservation and cultural and entertainment district tax credit equal to the amount as computed under chapter 404A for rehabilitating eligible property. Any credit in excess of the tax liability shall be refunded or credited to the following year, as provided in section 404A.4, subsection 3.

Sec. 6. Section 422.60, subsection 4, paragraph a, Code 2007, is amended to read as follows:

a. The taxes imposed under this division shall be reduced by a historic preservation and cultural and entertainment district tax credit equal to the amount as computed under chapter 404A for rehabilitating eligible property. Any credit in excess of the tax liability shall be refunded or credited to the following year, as provided in section 404A.4, subsection 3.

Sec. 7. Section 432.12A, subsection 1, Code 2007, is amended to read as follows:

1. The tax imposed under this chapter shall be reduced by a historic preservation and cultural and entertainment district tax credit equal to the amount as computed under chapter 404A for rehabilitating eligible property. Any credit in excess of the tax liability shall be refunded or credited to the following year, as provided in section 404A.4, subsection 3.

Sec. 8. TAX CREDIT CERTIFICATES — RESERVATION DATES.

1. The department of cultural affairs shall reissue historic preservation and cultural and entertainment district tax credit certificates held by the original tax credit certificate recipient. Tax credit certificates with a redemption date in the year 2010 shall be reissued with a redemption date of 2009. Tax credit certificates with a redemption date in the year 2011 shall be reissued with a redemption date of 2009.

sued with a redemption date of 2010. Tax credit certificates with a redemption date in the years 2012, 2013, 2014, 2015, 2016, or 2017 shall be issued with a redemption date of 2011. Tax credit certificates that have been sold since issuance shall not be reissued pursuant to this subsection.

2. In the order of original reservation dates, the department of cultural affairs shall modify the reservation date of reserved historic preservation and cultural and entertainment district tax credits based on the availability of additional moneys for tax credits under this bill.

Sec. 9. **APPLICABILITY.** This Act applies to historic preservation and cultural and entertainment district tax credits applied for or reserved prior to July 1, 2007.

Approved May 21, 2007

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## CHAPTER 166

### CIGARETTE FIRE SAFETY STANDARDS — ENFORCEMENT

H.F. 718

**AN ACT** relating to cigarette fire safety standards, and providing penalties.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. **NEW SECTION.** 101B.1 SHORT TITLE.

This chapter shall be known and may be cited as the “Cigarette Fire Safety Standards Act”.

Sec. 2. **NEW SECTION.** 101B.2 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. “Agent” means a distributor as defined in section 453A.1 authorized by the department of revenue to purchase and affix stamps pursuant to section 453A.10.
2. “Cigarette” means cigarette as defined in section 453A.1.
3. “Department” means the department of public safety.
4. “Manufacturer” means any of the following:
  - a. An entity that manufactures or otherwise produces cigarettes or causes cigarettes to be manufactured or produced, anywhere, which cigarettes the manufacturer intends to be sold in this state, including cigarettes intended to be sold in the United States through an importer.
  - b. The first purchaser of cigarettes anywhere, that intends to resell in the United States, cigarettes manufactured or produced anywhere, that the original manufacturer did not intend to be sold in the United States.
  - c. An entity that becomes a successor of an entity described in paragraph “a” or “b”.
5. “Quality control and quality assurance program” means the laboratory procedures implemented to ensure that operator bias, systematic and nonsystematic methodological errors, and equipment-related problems do not affect the results of the repeatability testing, and which program ensures that the testing repeatability remains within the required repeatability values specified in section 101B.4.
6. “Repeatability” means the range of values within which the repeat results of cigarette test trials from a single laboratory will fall ninety-five percent of the time.
7. “Retailer” means retailer as defined in section 453A.1.
8. “Sale” means any transfer of title or possession, exchange or barter, in any manner or by any means or any agreement. In addition to cash and credit sales, the giving of cigarettes as