Regulatory Analysis

Notice of Intended Action to be published: 261—Chapter 115
"Tax Credits for Investments in Qualifying Businesses"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 15.106A and 15E, subchapter V
State or federal law(s) implemented by the rulemaking: Iowa Code chapter 15E, subchapter V

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

September 23, 2025	1963 Bell Avenue
9:15 to 9:30 a.m.	Des Moines, Iowa

Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis, which must be received by the Economic Development Authority no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Lisa Connell
Iowa Economic Development Authority
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
Email: lisa.connell@iowaeda.com

Purpose and Summary

Pursuant to Executive Order 10, the Authority proposes to rescind Chapter 115. The chapter describes the policies and procedures applicable to tax credits for investments in qualifying businesses, available pursuant to Iowa Code chapter 15E, subchapter V. The tax credit was repealed by 2025 Iowa Acts, Senate File 657.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

The rescission of Chapter 115 does not impose any costs.

- **Classes of persons that will benefit from the proposed rulemaking:**

Rescinding the chapter for a tax credit that has been repealed will provide clarity about the responsibilities of the Authority.

2. **Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**

- **Quantitative description of impact:**

The rescission of Chapter 115 does not impose any costs.

- **Qualitative description of impact:**

Rescinding the chapter for a tax credit that has been repealed will provide clarity about the responsibilities of the Authority.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

There are no implementation and enforcement costs.

- **Anticipated effect on State revenues:**

The rescission of the chapter has no fiscal impact.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

The rescission of Chapter 115 does not impose any costs. Rescinding the chapter for a tax credit that has been repealed will provide clarity about the responsibilities of the Authority.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

The Authority has not identified any less costly methods or less intrusive methods.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

The Authority did not consider any other methods.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

The Authority did not consider any other methods.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

The rescission of the chapter does not have a substantial impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind and reserve **261—Chapter 115**.