

15.504 Eligible business.

1. To be eligible to receive tax incentives under the program, a business must meet all of the following requirements:

a. The community in which the proposed project is located must approve the project either by ordinance or resolution.

b. (1) The business must be primarily engaged in advanced manufacturing, bioscience, insurance and finance, or technology and innovation. The business shall not be a data center business, a retail business, or a business where a cover charge or membership requirement restricts certain individuals from entering the business.

(2) Factors the authority shall consider to determine if a business is primarily engaged in advanced manufacturing, biosciences, insurance and finance, or technology and innovation shall include but are not limited to all of the following:

(a) The business's North American industry classification system code.

(b) The business's main sources of revenue.

(c) The business's customer base.

c. (1) The business must not be solely relocating operations from one area of the state to another area of the state. A proposed project that does not create jobs or involve a substantial amount of new capital investment shall be presumed to be a relocation of operations. For purposes of this subparagraph, the authority shall consider a letter from the affected local community's government officials supporting the business's move away from the affected local community in making a determination whether the business is solely relocating operations.

(2) This paragraph shall not be construed to prohibit a business from expanding the business's operations in a community if the business has similar operations in this state that are not closing or undergoing a substantial reduction in operations.

d. The business must offer comprehensive benefits to each full-time equivalent employee employed at the project. The authority may adopt rules under [chapter 17A](#) to determine the procedure for establishing requirements for comprehensive benefits.

e. (1) The business must not have a record of violations of the law or of rules, including but not limited to antitrust, environmental, trade, or worker safety, that over a period of time show a consistent pattern or that establish the business's intentional, criminal, or reckless conduct in violation of such laws or rules.

(2) If the authority determines that the business has a record of violations described in subparagraph (1), and the authority finds that the violations did not seriously affect public health, public safety, or the environment, the business may be eligible to qualify for the program.

(3) If the authority determines that the business has a record of violations described in subparagraph (1), and the authority finds that there were mitigating circumstances related to the violations, the business may be eligible to qualify for the program.

(4) In making determinations and findings under subparagraphs (2) and (3), and making a determination whether a business is disqualified from the program, the authority shall be exempt from [chapter 17A](#).

2. In determining if a business is eligible to participate in the program, the authority shall consider a variety of factors, including but not limited to all of the following:

a. The impact of the business's proposed project on businesses that are in competition with the business. The authority shall make a good-faith effort to identify existing Iowa businesses in competition with the business being considered for the program. The authority shall make a good-faith effort to determine the probability that any proposed tax incentives will displace employees of the competing businesses.

b. The business's proposed project's economic impact on the state. The authority shall place greater emphasis on businesses and proposed projects that meet the following requirements:

(1) The business has a high proportion of in-state suppliers.

(2) The proposed project will diversify the state economy.

(3) The business has few in-state competitors.

(4) The proposed project has the potential to create jobs on an ongoing basis, or will result in increased skills and wages for employees of the eligible business.

(5) The proposed project has the potential to increase productivity, efficiency, and competitiveness through adoption and integration of smart technologies including specialized hardware, software, or other equipment.

(6) The proposed project has the potential to increase the state's overall gross domestic product.

(7) Any other factors the authority deems relevant in determining the economic impact of a proposed project.

[2025 Acts, ch 136, §11, 20](#)

Referred to in [§15.111](#), [15.503](#), [15.506](#)

NEW section