

422.11E Iowa taxpayers trust fund tax credit.

1. For purposes of [this section](#), unless the context otherwise requires:

a. “*Eligible individual*” means, with respect to a tax year, an individual who makes and files an individual income tax return pursuant to [section 422.13](#). “*Eligible individual*” does not include an estate or trust, or an individual for whom an individual income tax return was not timely filed, including extensions.

b. “*Unclaimed tax credit*” means, with respect to a tax year, the aggregate amount by which the Iowa taxpayers trust fund tax credits that were eligible to be claimed by eligible individuals, if any, exceeds the Iowa taxpayers trust fund tax credits actually claimed by eligible individuals, if any.

2. The taxes imposed under [this division](#), less the credits allowed under [this division](#) except the credits for withheld tax and estimated tax paid in [section 422.16](#), shall be reduced by an Iowa taxpayers trust fund tax credit to an eligible individual for the tax year beginning January 1 immediately preceding July 1 of any fiscal year during which a transfer, if any, is made from the taxpayers trust fund in [section 8.57E](#) to the Iowa taxpayers trust fund tax credit fund created in [this section](#).

3. The credit shall be equal to the quotient of the amount transferred to the Iowa taxpayers trust fund tax credit fund in the applicable fiscal year, divided by the number of eligible individuals for the tax year immediately preceding the tax year for which the credit in [this section](#) is allowed, as determined by the director of revenue in accordance with [this section](#), rounded down to the nearest whole dollar. The department of revenue shall draft the income tax form for any tax year in which a credit will be allowed under [this section](#) to provide the information and space necessary for eligible individuals to claim the credit.

4. Any credit in excess of the taxpayer’s liability for the tax year is not refundable and shall not be credited to the tax liability for any following year or carried back to a tax year prior to the tax year in which the taxpayer claims the credit.

5. a. There is established within the state treasury under the control of the department an Iowa taxpayers trust fund tax credit fund consisting of any moneys transferred by the general assembly by law from the taxpayers trust fund created in [section 8.57E](#) for purposes of the credit provided in [this section](#). For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, the department shall transfer from the Iowa taxpayers trust fund tax credit fund to the general fund of the state, the lesser of the balance of the Iowa taxpayers trust fund tax credit fund or an amount of money equal to the Iowa taxpayers trust fund tax credits claimed in that fiscal year, if any. Any moneys in the Iowa taxpayers trust fund tax credit fund which represent unclaimed tax credits shall immediately revert to the taxpayers trust fund created in [section 8.57E](#). Interest or earnings on moneys in the Iowa taxpayers trust fund tax credit fund shall be credited to the taxpayers trust fund created in [section 8.57E](#).

b. The moneys transferred to the general fund of the state in accordance with [this subsection](#) shall not be considered new revenues for purposes of the state general fund expenditure limitation under [section 8.54](#) but instead as replacement of a like amount included in the expenditure limitation for the fiscal year in which the transfer is made.

2013 Acts, ch 123, §43, 45, 46

Referred to in [§8.57E](#), [§257.21](#), [§422.5](#), [§422.16](#), [§422D.2](#)

Section takes effect June 12, 2013, and applies retroactively to January 1, 2013, for tax years beginning on or after that date; [2013 Acts, ch 123, §45, 46](#)