

422.60 Imposition of tax — credit.

1. A franchise tax according to and measured by net income is imposed on financial institutions for the privilege of doing business in this state as financial institutions.

2. Reserved.

3. a. (1) For tax years beginning before January 1, 2022, there is allowed as a credit against the tax determined in [section 422.63](#) for a tax year an amount equal to the minimum tax credit for that tax year.

(2) The minimum tax credit for a tax year is the excess, if any, of the net minimum tax imposed for all prior tax years beginning on or after January 1, 1987, but before January 1, 2021, over the amount allowable as a credit under [this subsection](#) for those prior tax years.

b. (1) The allowable credit under paragraph “a” for a tax year beginning before January 1, 2021, shall not exceed the excess, if any, of the tax determined in [section 422.63](#) over the state alternative minimum tax as determined in [subsection 2](#).^{*} The allowable credit under paragraph “a” for a tax year beginning in the 2021 calendar year shall not exceed the tax determined in [section 422.63](#).

(2) The net minimum tax for a tax year is the excess, if any, of the tax determined in [subsection 2](#)^{*} for the tax year over the tax determined in [section 422.63](#) for the tax year.

c. [This subsection](#) is repealed January 1, 2022, for tax years beginning on or after that date.

4. The taxes imposed under [this subchapter](#) shall be reduced by a historic preservation tax credit allowed under [chapter 404A](#).

5. a. The taxes imposed under [this subchapter](#) shall be reduced by an investment tax credit authorized pursuant to [section 15E.43](#) for an investment in a qualifying business.

b. The taxes imposed under [this subchapter](#) shall be reduced by investment tax credits authorized pursuant to [sections 15.333](#) and [15E.193B](#), [subsection 6, Code 2014](#).

6. The taxes imposed under [this subchapter](#) shall be reduced by an endow Iowa tax credit authorized pursuant to [section 15E.305](#).

7. The taxes imposed under [this subchapter](#) shall be reduced by tax credits for wind energy production allowed under [chapter 476B](#) and for renewable energy allowed under [chapter 476C](#).

8. The taxes imposed under [this subchapter](#) shall be reduced by a corporate tax credit authorized pursuant to [section 15.331C](#) for certain sales taxes paid by a third-party developer.

9. The taxes imposed under [this subchapter](#) shall be reduced by a tax credit authorized pursuant to [section 15E.66](#), if redeemed, for investments in the Iowa fund of funds.

10. The taxes imposed under [this subchapter](#) shall be reduced by a redevelopment tax credit allowed under [chapter 15, subchapter II, part 9](#).

11. The taxes imposed under [this subchapter](#) shall be reduced by an innovation fund investment tax credit allowed under [section 15E.52](#).

12. a. The taxes imposed under [this subchapter](#) shall be reduced by a solar energy system tax credit equal to sixty percent of the federal energy credit related to solar energy systems provided in [section 48\(a\)\(2\)\(A\)\(i\)\(II\)](#) and [section 48\(a\)\(2\)\(A\)\(i\)\(III\)](#) of the Internal Revenue Code, not to exceed twenty thousand dollars. For installations occurring on or after January 1, 2016, the applicable percentage of the federal energy credit related to solar energy systems shall be fifty percent.

b. The taxpayer may claim the credit pursuant to [this subsection](#) according to the same requirements, conditions, and limitations as provided pursuant to [section 422.11L](#).

13. The taxes imposed under [this subchapter](#) shall be reduced by a workforce housing investment tax credit allowed under [section 15.355, subsection 3](#).

[C71, 73, 75, 77, 79, 81, §422.60; 82 Acts, ch 1023, §16, 31]

83 Acts, ch 179, §17, 22; 86 Acts, ch 1241, §28; 87 Acts, 1st Ex, ch 1, §14; 89 Acts, ch 285, §6; 2002 Acts, ch 1003, §3, 5; 2002 Acts, ch 1006, §9, 13; 2002 Acts, ch 1156, §4, 8; 2003 Acts, 1st Ex, ch 2, §86, 89; 2004 Acts, ch 1175, §406, 418; 2005 Acts, ch 150, §15, 63, 69; 2005 Acts, ch 160, §3, 14; 2006 Acts, ch 1158, §34 – 38; 2007 Acts, ch 162, §9, 13; 2007 Acts, ch 165, §6, 9; 2008 Acts, ch 1173, §10; 2008 Acts, ch 1191, §164; 2009 Acts, ch 41, §126; 2010 Acts, ch 1138, §13, 16, 23, 26; 2011 Acts, ch 25, §82, 143; 2011 Acts, ch 130, §43, 47, 71; 2012 Acts, ch 1136,

§36, 39 – 41; 2014 Acts, ch 1093, §27 – 29; 2014 Acts, ch 1118, §10, 12; 2014 Acts, ch 1130, §21, 24 – 26, 39; 2014 Acts, ch 1141, §78 – 80; 2015 Acts, ch 30, §119; 2015 Acts, ch 124, §4, 9; 2015 Acts, ch 138, §122, 126, 127; 2017 Acts, ch 29, §122; 2019 Acts, ch 152, §10, 15, 65, 66; 2020 Acts, ch 1062, §94

Referred to in §2.48, 422.85

Former subsection 2, paragraph b, subparagraph (6), applies retroactively to January 1, 2019, for tax years beginning on or after that date; 2019 Acts, ch 152, §15

*Subsection 2, providing for the calculation of an alternative minimum tax, repealed pursuant to its own terms on January 1, 2021, for tax years beginning on or after that date; for text of subsection 2, see §422.60, Code 2020

With respect to proposed amendments to subsection 2, paragraph a, in effect from July 1, 2020, until January 1, 2021, see Code editor's note at the beginning of this Code volume

Code editor directive applied

Subsection 2 stricken