

**422.110 Income tax credit in lieu of refund.**

1. In lieu of the fuel tax refund provided in [section 452A.17](#), a person or corporation subject to taxation under [subchapter II or III of this chapter](#) may elect to receive an income tax credit. The person or corporation which elects to receive an income tax credit shall cancel its refund permit obtained under [section 452A.18](#) within thirty days after the first day of its tax year or the permit becomes invalid at that time. For the purposes of [this section](#), “person” includes a person claiming a tax credit based upon the person’s pro rata share of the earnings from a partnership, limited liability company, or corporation which is not subject to a tax under [subchapter II or III of this chapter](#) as a partnership, limited liability company, or corporation. If the election to receive an income tax credit has been made, it remains effective for at least one tax year, and for subsequent tax years unless a change is requested and a new refund permit applied for within thirty days after the first day of the person’s or corporation’s tax year. The income tax credit shall be the amount of the Iowa fuel tax paid on fuel purchased by the person or corporation and is subject to the conditions provided in [section 452A.17](#) with the exception that the income tax credit is not available for refunds relating to casualty losses, transport diversions, pumping credits, blending errors, idle time, power takeoffs, reefer units, and exports by distributors.

2. The right to a credit under [this section](#) is not assignable and the credit may be claimed only by the person or corporation that purchased the fuel.

[C75, 77, §422.86; C79, 81, §422.110; 82 Acts, ch 1176, §2]

86 Acts, ch 1141, §19; 86 Acts, ch 1241, §29; 88 Acts, ch 1205, §22, 23; 95 Acts, ch 155, §6, 7, 44; 99 Acts, ch 151, §26, 89; 2001 Acts, ch 116, §11; 2020 Acts, ch 1062, §94

Referred to in [§2.48](#)