

15.355 Workforce housing tax incentives.

1. A housing business that has entered into an agreement pursuant to [section 15.354](#) is eligible to receive the tax incentives described in [subsections 2 and 3](#).

2. *a.* A housing business may claim a refund of the sales and use taxes paid under [chapter 423](#) prior to the completion of the housing project that are directly related to a housing project and specified in the agreement.

b. To receive a refund, a claim shall be filed by the housing business with the department of revenue as follows:

(1) The contractor or subcontractor shall state under oath, on forms provided by the department of revenue, the amount of sales and use taxes paid under [chapter 423](#) prior to the completion of the housing project that are directly related to a housing project and specified in the agreement.

(2) The contractor or subcontractor shall file the forms with the housing business before final settlement is made.

(3) *(a)* The housing business shall, after the agreement completion date, make application to the department of revenue for any refund of the amount of sales and use taxes paid under [chapter 423](#) prior to the completion of the housing project that were directly related to a housing project and specified in the agreement. The application shall be made in the manner and upon forms to be provided by the department of revenue. The department of revenue shall audit the claim and, if approved, issue a warrant to the housing business. The application must be made within one year after the agreement completion date. A claim filed by the housing business in accordance with [this subsection](#) shall not be denied by reason of a limitation provision set forth in [chapter 421](#) or [423](#).

(b) For purposes of this subparagraph, “*agreement completion date*” means the date on which the authority notifies the department of revenue that all applicable requirements of the agreement entered into pursuant to [section 15.354](#), [subsection 3](#), paragraph “*a*”, and all applicable requirements of this part, including the rules the authority and the department of revenue adopt pursuant to [section 15.356](#), are satisfied.

c. A contractor or subcontractor who willfully makes a false claim under oath in violation of the provisions of [this subsection](#) shall be guilty of a simple misdemeanor and in addition to any other penalty, the contractor or subcontractor shall be liable for the payment of the tax and any applicable penalty and interest.

3. *a.* A housing business may claim a tax credit in an amount not to exceed the following:

(1) For a housing project not located in a small city, ten percent of the qualifying new investment of a housing project specified in the agreement.

(2) For a housing project located in a small city, twenty percent of the qualifying new investment of a housing project specified in the agreement.

(3) For a housing project located in a county that has been declared a major disaster by the president of the United States on or after March 12, 2019, and that is also a county in which individuals are eligible for federal individual assistance, twenty percent of the qualifying new investment of a housing project.

b. The tax credit shall be allowed against the taxes imposed in [chapter 422](#), [subchapters II, III, and V](#), and in [chapter 432](#), and against the moneys and credits tax imposed in [section 533.329](#).

c. An individual may claim a tax credit under [this subsection](#) of a partnership, limited liability company, S corporation, estate, or trust electing to have income taxed directly to the individual. The amount claimed by the individual shall be based upon the pro rata share of the individual’s earnings from the partnership, limited liability company, S corporation, estate, or trust.

d. Any tax credit in excess of the taxpayer’s liability for the tax year is not refundable but may be credited to the tax liability for the following five years or until depleted, whichever is earlier.

e. (1) To claim a tax credit under [this subsection](#), a taxpayer shall include one or more tax credit certificates with the taxpayer’s tax return.

(2) The tax credit certificate shall contain the taxpayer’s name, address, tax identification

number, the amount of the credit, the name of the eligible housing business, any other information required by the department of revenue, and a place for the name and tax identification number of a transferee and the amount of the tax credit being transferred.

(3) The tax credit certificate, unless rescinded by the authority, shall be accepted by the department of revenue as payment for taxes imposed pursuant to [chapter 422, subchapters II, III, and V](#), and in [chapter 432](#), and for the moneys and credits tax imposed in [section 533.329](#), subject to any conditions or restrictions placed by the authority upon the face of the tax credit certificate and subject to the limitations of this program.

(4) Tax credit certificates issued under [section 15.354, subsection 3](#), paragraph “e”, may be transferred to any person. Within ninety days of transfer, the transferee shall submit the transferred tax credit certificate to the department of revenue along with a statement containing the transferee’s name, tax identification number, and address, the denomination that each replacement tax credit certificate is to carry, and any other information required by the department of revenue. However, tax credit certificate amounts of less than the minimum amount established by rule of the authority shall not be transferable.

(5) Within thirty days of receiving the transferred tax credit certificate and the transferee’s statement, the department of revenue shall issue one or more replacement tax credit certificates to the transferee. Each replacement tax credit certificate must contain the information required for the original tax credit certificate and must have the same expiration date that appeared on the transferred tax credit certificate.

(6) A tax credit shall not be claimed by a transferee under [this section](#) until a replacement tax credit certificate identifying the transferee as the proper holder has been issued. The transferee may use the amount of the tax credit transferred against the taxes imposed in [chapter 422, subchapters II, III, and V](#), and in [chapter 432](#), and against the moneys and credits tax imposed in [section 533.329](#), for any tax year the original transferor could have claimed the tax credit. Any consideration received for the transfer of the tax credit shall not be included as income under [chapter 422, subchapters II, III, and V](#). Any consideration paid for the transfer of the tax credit shall not be deducted from income under [chapter 422, subchapters II, III, and V](#).

f. For purposes of the individual and corporate income taxes and the franchise tax, the increase in the basis of the property that would otherwise result from the qualifying new investment shall be reduced by the amount of the tax credit computed under [this subsection](#).

[2014 Acts, ch 1130, §17, 24 – 26; 2015 Acts, ch 138, §130 – 132; 2017 Acts, ch 134, §8; 2019 Acts, ch 159, §26 – 28, 31, 32; 2020 Acts, ch 1062, §94; 2021 Acts, ch 177, §39; 2022 Acts, ch 1138, §57 – 59](#)

Referred to in [§15.354, 422.11C, 422.33, 422.60, 432.12G, 533.329](#)

2022 strike and rewrite of subsection 2 applies to claims for refunds filed on or after June 17, 2022; 2022 Acts, ch 1138, §59