15.494 Agreement.

1. An eligible business that is approved by the authority to participate in the program shall enter into an agreement with the authority that specifies the criteria for the successful completion of all requirements of the program. The agreement must contain, at a minimum, provisions related to all of the following:

a. The eligible business must certify to the authority annually that the business is in compliance with the agreement.

b. If the eligible business fails to comply with any requirements of the program or the agreement as determined by the authority, the eligible business may be required to repay any tax incentives the authority issued to the eligible business. After a final determination, the authority shall notify the department of revenue of any required repayment of a tax incentive. Any repayment shall be considered a tax payment due and payable to the department of revenue by any taxpayer that claimed the tax incentive, and the failure to make the repayment may be treated by the department of revenue in the same manner as a failure to pay the tax shown due, or required to be shown due, with the filing of a return or deposit form. In addition, the county shall have the authority to take action to recover the value of property taxes not collected as a result of the exemption provided to the business under this part.

c. If the eligible business undergoes a layoff or permanently closes any of its facilities within the state, the eligible business may be subject to all of the following:

(1) A reduction or elimination of some or all of the tax incentives the authority issued to the eligible business.

(2) Repayment of any tax incentives that the business has claimed, and payment of any penalties assessed by the department of revenue.

d. The project completion date, the maintenance period completion date, the required number of created jobs, the qualifying wage threshold that is applicable to the project, the amount of qualifying investment, the maximum aggregate value of the tax incentives authorized by the board, and any other terms and obligations the authority deems necessary.

e. The eligible business shall only employ individuals legally authorized to work in this state. If the eligible business is found to knowingly employ individuals who are not legally authorized to work in this state, in addition to any penalties provided by law, all or a portion of any tax incentives issued by the authority shall be subject to recapture by the authority or the department of revenue.

f. The maximum amount of gross wages, not to exceed three percent, that the eligible business may withhold under section 15.497, and the time period, not to exceed the term of the agreement, during which the specified amount of gross wages may be withheld.

g. Any terms deemed necessary by the authority to effect the eligible business's ongoing compliance with section 15.492.

2. The business shall satisfy all applicable terms of the agreement by the project completion date; however, the board may for good cause extend the project completion date or otherwise amend the terms of the agreement. The board shall not amend the terms of the agreement to allow an increase in the maximum aggregate value of the tax incentives authorized by the board under section 15.493, subsection 3.

3. The eligible business shall comply with all applicable terms of the agreement during the maintenance period.

4. The eligible business shall not assign the agreement to another entity without the advance written approval of the board.

5. The authority may enforce the terms of the agreement as necessary and appropriate.

2024 Acts, ch 1090, §6, 15; 2025 Acts, ch 136, §131

Referred to in §15.491, 15.496, 15.497, 15.498

Subsection 1, paragraph b amended