

15.496 Qualifying investment tax credit.

1. The authority may authorize a tax credit for an eligible business that is up to five percent of the eligible business's qualifying investment. The authority shall not issue a tax credit certificate to the eligible business until the eligible business's project has been placed in service, and at least fifty percent of the created jobs the eligible business agreed to in the agreement under [section 15.494](#), and that pay at least one hundred forty percent of the qualifying wage threshold, have been added to the eligible business's payroll. The department of revenue shall remit the tax credit to the eligible business equally over five tax years. The tax credit shall be allowed against taxes imposed under [chapter 422, subchapter II, III, or V](#), and against the moneys and credits tax imposed in [section 533.329](#). If the eligible business is a partnership, S corporation, limited liability company, cooperative organized under [chapter 501](#) and filing as a partnership for federal tax purposes, or estate or trust electing to have the income taxed directly to the individual, an individual may claim the tax credit allowed. The amount claimed by the individual shall be based upon the pro rata share of the individual's earnings of the partnership, S corporation, limited liability company, cooperative organized under [chapter 501](#) and filing as a partnership for federal tax purposes, or estate or trust. Any tax credit in excess of the eligible business's tax liability for the tax year may be refunded or, at the eligible business's election, credited to the eligible business's tax liability in any of the following five consecutive tax years or until depleted, whichever occurs first. The eligible business shall make such election prior to the authority issuing a tax credit certificate to the eligible business, and the eligible business's election shall be noted on the tax credit certificate. A tax credit shall not be carried back to a tax year prior to the tax year in which the tax credit is first claimed by the eligible business.

2. If within five years of the date the authority issues an eligible business a tax credit under [subsection 1](#), the eligible business sells, disposes of, razes, or otherwise renders unusable all or a part of the land, buildings, or other structures for which the tax credit was claimed under [this section](#), the tax liability of the eligible business for the year in which all or part of the land, buildings, or other existing structures are sold, disposed of, razed, or otherwise rendered unusable shall be increased by one of the following amounts:

a. One hundred percent of the tax credit claimed under [this section](#) if all or a part of the land, buildings, or other structures for which the tax credit was claimed under [this section](#) cease to be eligible for the tax credit within one year after the date the authority issued the tax credit to the eligible business.

b. Eighty percent of the tax credit claimed under [this section](#) if all or a part of the land, buildings, or other structures for which the tax credit was claimed under [this section](#) cease to be eligible for the tax credit within two years after the date the authority issued the tax credit to the eligible business.

c. Sixty percent of the tax credit claimed under [this section](#) if all or a part of the land, buildings, or other structures for which the tax credit was claimed under [this section](#) cease to be eligible for the tax credit within three years after the date the authority issued the tax credit to the eligible business.

d. Forty percent of the tax credit claimed under [this section](#) if all or a part of the land, buildings, or other structures for which the tax credit was claimed under [this section](#) cease to be eligible for the tax credit within four years after the date the authority issued the tax credit to the eligible business.

e. Twenty percent of the tax credit claimed under [this section](#) if all or a part of the land, buildings, or other structures for which the tax credit was claimed under [this section](#) cease to be eligible for the tax credit within five years after the date the authority issued the tax credit to the eligible business.

[2024 Acts, ch 1090, §8, 15](#)

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