

**261—114.4(15E) Applying for an investment tax credit.**

**114.4(1) Annual business application.** The annual application submitted by qualifying businesses will include:

*a.* A report from the business of any changes to the information provided in the application for certification pursuant to subrule 114.2(3).

*b.* The names, addresses, email addresses, phone numbers, shares or equity interests issued, and consideration paid for the shares or equity interests of all shareholders or equity holders, including but not limited to investors who may qualify for the tax credits and the date on which all investments were made.

*c.* Documentation of the ownership, affiliates, and principals of the qualifying business and of its investors sufficient to allow the authority to determine the following:

(1) Whether any investors are ineligible for a tax credit because the investor is an affiliate of the qualifying business or its principals.

(2) Whether any investors are ineligible for a tax credit because the individual or entity owns 70 percent or more of the qualifying business.

(3) Whether tax credits issued to an investor and the investor's spouse or dependent would exceed the maximum allowed pursuant to Iowa Code section 15E.27(2) "b"(1).

*d.* A signed statement from an officer, director, manager, member, or general partner of the qualifying business certifying the accuracy of the information provided.

*e.* A listing of investments that are anticipated to be eligible for tax credits during the fiscal year following submission of the application.

*f.* Any other information the authority may reasonably require to determine the business's continued eligibility for certification as a qualifying business and its investors' eligibility to receive tax credits or to allow the authority to estimate demand for tax credits.

**114.4(2) Application window.** The annual application required pursuant to Iowa Code section 15E.28(5) shall be submitted electronically to the authority from September 1 to December 31 each year. The authority may adjust the annual application period dates under extenuating circumstances and will provide notice of adjustments on the authority's website. The authority may cease accepting applications during any annual application period if the requested tax credits for the program and the requested tax credits for innovation fund investment tax credits available pursuant to Iowa Code section 15E.52 exceed \$12 million. Applications shall be date- and time-stamped by the authority in the order in which such applications are received.

**114.4(3) Board approval of maximum tax credits.** The board will determine the total amount of tax credits available for each fiscal year pursuant to Iowa Code section 15.119. The authority will make its initial allocation of tax credits to eligible investors based on the order in which applications are received until the maximum aggregate amount of credits authorized for issuance has been reached for any fiscal year.

**114.4(4) Investor information and deadline.** Additional information that may be requested from investors identified by a qualifying business includes proof of investment and the investor's tax identification number. An eligible investor must provide any information requested by the authority to verify the eligibility of the investor and to allow the authority to issue a tax credit certificate. Such information shall be provided within 30 days of a request from the authority unless a request for extension is approved by the authority in writing.

**114.4(5) Tax credit approval.** Authority staff will verify the continued eligibility of qualifying businesses and the eligibility of investments prior to approval of tax credits by the director. Tax credits will be approved by the director on a first-come, first-served basis until the maximum amount of tax credits approved by the board is fully utilized. Applications that exceed the maximum amount of tax credits approved by the board will be denied.

**114.4(6) Tax credit amount.** The location of the principal business operations will be utilized to determine whether a qualifying business is located in a rural area or an urban area for the purposes of establishing the amount of a tax credit pursuant to Iowa Code section 15E.27(2) "a."

**114.4(7) Tax credit limitations.** Tax credits are limited by the following:

*a.* The total amount of tax credits available for the program, approved by the board pursuant to Iowa Code section 15.119.

*b.* The maximums allowed per fiscal year for a natural person, corporation, or other entity pursuant to Iowa Code section 15E.27(2).

*c.* The maximum allowed per fiscal year for any one qualifying business pursuant to Iowa Code section 15E.27(2).

**114.4(8)** *Denial of applications.* Applications received by the authority that exceed the limitations described in Iowa Code sections 15.119 and 15E.27 and in subrule 114.4(7) will be denied, regardless of whether the investment was otherwise eligible to receive a tax credit award. Any application that can be partially approved without exceeding the applicable maximum amounts may be approved as to the portion less than the maximum amounts and denied as to the portion greater than the maximum amounts. For example, if an application is eligible for \$50,000 of tax credits, but there is only \$30,000 of the business maximum amount available, the application may be approved for \$30,000 and denied for \$20,000.

[ARC 0003D, IAB 1/21/26, effective 2/25/26]