261—300.5(15) Qualified expenditures.

300.5(1) Qualified expenditures are expenditures incurred for industry standard preproduction, production and post-production expenses paid to Iowa businesses or to production personnel, crew and cast physically working on the production in Iowa. Qualified expenditures include:

a. Wages and fringes for personnel, crew and cast members.

b. Equipment rentals.

c. Equipment purchases, not to exceed $5,000 per unit.

d. Rental of facilities, including other studio production facilities, located within the boundaries of Iowa that are not owned, managed or operated by the applicant or by a subsidiary, parent, affiliated or associated entity of applicant.

e. Hospitality services.

f. Certified public accountant services.

g. Per diem payments.

h. Accommodations within the boundaries of Iowa and certified in compliance with Iowa Code section 80.45A.

i. Transportation, limited to mileage at standard Internal Revenue Service (IRS) rates and rental fees paid to Iowa businesses and full-time Iowa residents for vehicle rentals.

j. Fees for submission to film festivals in Iowa.

k. Temporary set-based construction.

l. Services that directly support standard preproduction, production and postproduction expenses (e.g., security, police, fire services).

300.5(2) Qualified expenditures do not include:

a. Entertainment.

b. Airfare.

c. Royalties.

d. Publicity.

e. Compensation paid to employees with a financial interest in the recipient entity.

f. Permanent facility-based construction.

g. Capital expenditures.

h. Sales, use and hotel and motel taxes.

[**ARC 0140D**, IAB 3/18/26, effective 4/22/26]