

**261—71.1 (403) Definitions.**

“*Act*” means Iowa Code section 403.19A.

“*Authority*” means the economic development authority.

“*Award date*” means the same as defined in 261—Chapter 173.

“*Base employment level*” means the same as defined in 261—Chapter 173.

“*Board*” means the members of the authority appointed by the governor and in whom the powers of the authority are vested pursuant to Iowa Code section 15.105.

“*Business*” means an enterprise that is located in this state and that is operated for profit and under a single management. “Business” includes professional services and industrial enterprises, including but not limited to medical treatment facilities, manufacturing facilities, corporate headquarters, and research facilities. “Business” does not include a retail operation, a government entity, or a business which closes or substantially reduces its operation in one area of this state and relocates substantially the same operation to another area of this state.

“*Countywide average wage*” means the average that the authority calculates using the most current four quarters of wage and employment information as provided in the quarterly covered wage and employment data report as provided by the department of workforce development. Agricultural/mining and governmental employment categories are deleted in compiling the wage information.

“*Created job*” means the same as defined in 261—Chapter 173.

“*Due diligence committee*” or “*DDC*” means the due diligence committee organized by the board pursuant to 261—Chapter 1.

“*Employee*” means the individual employed in a targeted job that is subject to a withholding agreement.

“*Employer*” means a business creating or retaining targeted jobs in a pilot project city pursuant to a withholding agreement.

“*Employer’s taxable capital investment*” means a capital investment in real property, including but not limited to the purchase of land and existing buildings and building construction included in the project, that is subject to taxation by the local taxing authority.

“*Full-time equivalent job*” or “*full-time*” means the same as defined in 261—Chapter 173.

“*Local financial support*” or “*local match*” means cash or in-kind contributions to be used for the project from a private donor, a business, or the pilot project city. “Cash” includes but is not limited to loans, forgivable loans or grants. “In-kind contributions” means contributions directly related to the project and includes but is not limited to the construction of private or public infrastructure or other amenities and improvements.

“*Pilot project city*” means a city that has applied and been approved as a pilot project city pursuant to rule 261—71.2(403).

*“Project initiation”* means the same as defined in 261—Chapter 173.

*“Qualifying investment”* means a capital investment in real property including the purchase price of land and existing buildings, site preparation, building construction, and long-term lease costs. “Qualifying investment” also means a capital investment in depreciable assets. For purposes of this paragraph, “long-term lease costs” means those costs incurred or expected to be incurred under a lease during the duration of a withholding agreement, provided that the cumulative cost for that period does not exceed the cost of the land and the third-party developer’s costs to build or renovate the building for the approved business.

*“Retained job”* means a full-time equivalent position in existence at the time an employer applies to the authority for approval of a withholding agreement and which remains continuously filled and which is at risk of elimination if the project for which the employer is seeking assistance under the withholding agreement does not proceed. For the purposes of this definition, a position “at risk of elimination” includes a position that would be relocated out of state.

*“Targeted job”* means a job in a business which is or will be located in a pilot project city that pays a wage at least equal to the countywide average wage. “Targeted job” includes new or retained jobs from Iowa business expansions or retentions within the city limits of the pilot project city and those jobs resulting from established out-of-state businesses, as defined by the authority, that are moving to or expanding in Iowa.

*“Urban renewal area”* means the same as defined in Iowa Code section 403.17.

*“Withholding agreement”* means an agreement authorized in rule 261—71.4(403) between a pilot project city, the authority, and an employer concerning the targeted jobs withholding tax credit and that includes an application for a project that is the subject of a withholding agreement.

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