

**261—116.6(15E) Approval, issuance and distribution of investment tax credits.**

**116.6(1) Approval.** Upon certification and registration by the authority of an innovation fund and approval of the taxpayer's application, the board will approve the issuance of a tax credit certificate to the applicant. The board shall not issue a certificate to a taxpayer for an equity investment in an innovation fund until such fund has been certified as an innovation fund pursuant to rule 261—116.3(15E).

**116.6(2) Issuance.** Applicants shall receive tax credit certificates on a first-come, first-served basis until the maximum aggregate amount of credits authorized for issuance has been reached for any fiscal year. The board shall not issue a tax credit certificate prior to September 1, 2014.

**116.6(3) Waiting list.** If, during any fiscal year during which tax credits are to be issued under this chapter, applications totaling more than the maximum aggregate amount are received and approved, the board will establish a waiting list for certificates. Applications that were approved but for which certificates were not issued shall be placed on the waiting list in the order the applications were received by the board. If applications were placed on the waiting list, the authority shall:

*a.* Issue tax credit certificates to the taxpayers for such waitlisted tax credits before issuing any new tax credits to later applicants, and

*b.* Apply the aggregate amount of the waitlisted credits against the total amount of tax credits to be issued during the subsequent fiscal year before approving or issuing additional tax credits.

**116.6(4) Preparation of the certificate.** The tax credit certificate shall be in a form approved by the authority and shall contain the taxpayer's name, address, and tax identification number, the amount of credit, the name of the innovation fund, the year in which the investment was made and any other information that may be required by the department of revenue. In addition, the tax credit certificate shall contain the following statement:

Neither the authority nor the board has recommended or approved this investment or passed on the merits or risks of such investment. Investors should rely solely on their own investigation and analysis and seek investment, financial, legal and tax advice before making their own decision regarding investment in this fund.

**116.6(5) Credit amount.** A tax credit for investment in an innovation fund is equal to 25 percent of the taxpayer's equity investment in the fund.

**116.6(6) Maximum aggregate limitation.** The maximum aggregate amount of tax credits issued pursuant to this chapter shall not exceed the amount allocated by the board pursuant to Iowa Code section 15.119(2). For fiscal year 2012 and all subsequent fiscal years, that amount is \$8 million per year.

[ARC 0009C, IAB 2/8/12, effective 3/14/12; ARC 1098C, IAB 10/16/13, effective 10/1/13]