

261—32.5(81GA, HF868, HF809) Eligible contributions. Nongovernmental entities, including organizations exempt from federal income taxation pursuant to Section 501(c)3 of the Internal Revenue Code, may contribute to an economic development revolving loan fund.

32.5(1) A nongovernmental entity may claim a tax credit equal to 20 percent of the amount contributed to the revolving loan fund.

32.5(2) A tax credit shall be allowed against taxes imposed in Iowa Code chapter 422, divisions II, III, and V, and in Iowa Code chapter 432, and against the moneys and credits tax imposed in Iowa Code section 533.24.

32.5(3) An individual may claim the tax credit of a partnership, limited liability company, S corporation, estate, or trust electing to have income directly taxed to the individual. The amount claimed by the individual shall be based upon the individual's pro rata share of the entity.

32.5(4) Any tax credit in excess of the taxpayer's liability for the tax year may be credited to the tax credit liability for the following ten tax years or until depleted, whichever occurs first.

32.5(5) A tax credit shall not be carried back to a tax year prior to the tax year in which the taxpayer redeems the tax credit.

32.5(6) A tax credit under this rule is not transferable.

32.5(7) An organization exempt from federal income tax pursuant to Section 501(c)3 of the Internal Revenue Code making a contribution to an economic development region revolving loan fund shall be paid from the general fund of the state of Iowa an amount equal to 20 percent of such contributed amount within 30 days after the end of the fiscal year during which the contribution was made.