

**223—48.2 (303,404A) Definitions.** The definitions listed in Iowa Code section 17A.2 and rules 223—1.2(17A,303), 223—1.6(303), 223—13.2(303), 223—22.2(303), and 223—35.2(303) shall apply to terms as they are used throughout this chapter. In addition, the following definitions apply:

*“Applicant”* means the person, partnership, corporation, qualifying nonprofit organization, or public agency applying for the tax credit. In most cases, this will be the entity holding a fee-simple interest in the property or any other person or entity recognized by the Internal Revenue Code for purposes of the applicable tax benefits. If an application is made by someone other than the fee-simple owner, the application must be accompanied by a written statement signed by the fee-simple owner indicating the fee-simple owner does not object to the applicant claiming the tax credit.

*“Assessed value”* means the amount of the most current property tax assessment.

*“Barn”* means an agricultural building or structure, in whatever shape or design, which is used for the storage of farm products or feed or for the housing of farm animals, poultry, or farm equipment.

*“Commercial property”* means a building used for retail, office, or other uses not otherwise defined in this rule.

*“Disaster recovery project”* means an eligible property located in an area declared a disaster area by the governor of Iowa or by the president of the United States. The property must have been physically impacted as a result of the disaster.

*“Employment base”* means the number of jobs that exist at an eligible property on the date part one of the application is approved.

*“Historic tax credit(s)”* means the historic preservation and cultural and entertainment district tax credit established in Iowa Code chapter 404A.

*“Mixed-use property”* means an eligible property that includes three or more residential units and may also contain a commercial property component in the same building.

*“New permanent jobs”* means the number of new jobs that exist at an eligible property within two years of the date on which the tax credit certificate is issued. New permanent jobs are calculated as those over and above the employment base.

*“Placed in service”* means the same as used in Section 47 of the Internal Revenue Code.

*“Qualifying nonprofit organization”* means an organization, other than governmental bodies, described in Section 501 of the Internal Revenue Code unless the exemption is denied under Section 501, 502, 503 or 504 of the Internal Revenue Code.

*“Rehabilitation period”* means the period of time during which an eligible property is rehabilitated commencing from the date on which the first qualified rehabilitation cost is incurred and ending with the end of the taxable year in which the property is placed in service.

*“Reserved tax credit”* means the amount of tax credits set aside from the available tax credit fund for an approved project.

*“Residential property”* means a building with two or fewer residential units, with each unit providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation.

*“Standards”* means the Standards for Rehabilitation as described in the U.S. Secretary of the Interior’s Standards for the Treatment of Historic Properties.

*“Substantial rehabilitation”* means qualified rehabilitation costs that meet or exceed the following: (1) in the case of commercial property, costs totaling at least 50 percent of the assessed value of the property, excluding the land, prior to the rehabilitation; or (2) in the case of residential property or barns, costs totaling at least \$25,000 or 25 percent of the assessed value, excluding the land, prior to rehabilitation, whichever is less.

*“Tax basis”* means the same as defined in department of revenue 701—subrule 42.15(3).

*“Tax credit year”* means the tax year in which a tax credit certificate holder is eligible to redeem a tax credit certificate based on the availability of tax credits for an eligible project.

[**ARC 7943B**, IAB 7/15/09, effective 6/16/09; **ARC 9608B**, IAB 7/13/11, effective 6/22/11]