

261—58.14(15) Repayment.

58.14(1) Failure to meet requirements. If the department, in consultation with the community, determines that business has failed in any year to meet any one of the requirements of the new jobs and income Act, these rules, and the agreement, the business or group of businesses is subject to repayment of all or a portion of the amount of incentives received.

Once it has been established, through the compliance monitoring, audit or otherwise, that the business or group of businesses is required to repay all or a portion of the incentives received, DR and the community, as appropriate, shall collect the amount owed. The community or DR may exercise forbearance in connection with collection of the amounts owed to the community or DR and elect, in consultation with the department, to grant the business or group of businesses a one-year period to meet its requirements under the agreement.

58.14(2) Calculation of repayment due.

a. Investment tax credit. If a business does not meet the capital investment requirement, repayment shall be calculated as follows:

(1) If the business has not met the minimum investment requirement as stated in 58.7(1) “e,” the business shall repay all of the incentives and assistance that it has received.

(2) If the business has met 50 percent or less of the requirement, the business shall repay the same percentage in benefits as the percentage that the business failed to invest.

(3) If the business has met more than 50 percent but not more than 75 percent of the requirement, the business shall repay one-half of the percentage in benefits that the business failed to invest.

(4) If the business has met more than 75 percent but not more than 90 percent of the requirement, the business shall repay one-quarter of the percentage in benefits that the business failed to invest.

b. Job creation. If a business does not meet its job creation requirement or fails to maintain the required number of jobs, repayment shall be calculated as follows:

(1) Fifty percent or less of job creation. If the business or group of businesses has met 50 percent or less of the requirement, the business or group of businesses shall pay the same percentage in benefits that the business or group of businesses failed to create in jobs.

(2) More than 50 percent, less than 75 percent. If the business or group of businesses has met more than 50 percent but not more than 75 percent of the requirement, the business or group of businesses shall pay one-half of the percentage in benefits that the business or group of businesses failed to create in jobs.

(3) More than 75 percent, less than 90 percent. If the business or group of businesses has met more than 75 percent but not more than 90 percent of the requirement, the business or group of businesses shall pay one-quarter of the percentage in benefits that the business or group of businesses failed to create in jobs.

(4) If the business or group of businesses has not met the minimum job creation requirement as stated in paragraph 58.7(1) “f” or subrule 58.7(4), the business or group of businesses shall repay all of the incentives and assistance that it has received.

c. Wages and benefits. If the business or group of businesses fails to meet the wage requirement of paragraph 58.7(1) “d” or the benefits requirement of paragraph 58.7(1) “c” in any one year, the business or group of businesses must meet that requirement in the following year or forfeit the incentives for the year in which the business or group of businesses were not in compliance.

d. Additional required elements. If the business or group of businesses fails to meet the additional required elements of subrule 58.7(2) in any one year, the business or group of businesses must meet that requirement in the following year or forfeit the incentives for the year in which the business or group of businesses were not in compliance.

58.14(3) Failure to meet other requirements. Rescinded IAB 10/1/03, effective 11/5/03.