

261—64.2(80GA, HF677) Definitions.

“*Act*” means 2003 Iowa Acts, House File 677.

“*Average county wage*” means the average wage the department calculates annually 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 Iowa workforce development department, audit and analysis section. Agricultural/mining and governmental employment categories are deleted in compiling the wage information.

“*Biotechnology-related processes*” means the use of cellular and biomolecular processes to solve problems or make products. Farming activities shall not be included for purposes of this definition.

“*Board*” means the Iowa department of economic development board.

“*Capital investment*” means:

1. The costs of manufacturing machinery and equipment and computers, as defined in Iowa Code section 427A.1(1) “*e*” and “*j*,” which are purchased for use in the operation of the business. The purchase price shall be depreciated in accordance with generally accepted accounting principles.

2. The cost of improvements made to real property that is used in the operation of the business.

3. The purchase price of real property and any existing buildings and structures located on the real property. For purposes of this definition, if the business is leasing the property, the overall cost or value of the lease shall constitute a capital investment if the lease is treated as a capital transaction for tax purposes. A capital transaction for tax purposes means that the asset must be depreciated for federal income tax purposes. The business must be depreciating the leased property on the business’s income tax return in order to claim an investment tax credit for the cost or value of the leased property.

“*Community*” means a city, county, or other entity established pursuant to Iowa Code chapter 28E.

“*Comprehensive health benefits*” means a standard medical insurance plan provided by the business and of which the business pays at least 80 percent of the premiums for employee-only coverage. The department shall determine what constitutes a standard medical insurance plan. Additional health benefits provided and paid for by the business may be considered in situations in which the business is paying a lesser percentage of the medical premiums. Additional health benefits include dental insurance, vision insurance, prescription drug coverage and health promotion programs.

“*Department*” means the Iowa department of economic development.

“*Director*” means the director of the Iowa department of economic development.

“*Full-time*” means the equivalent of employment of one person:

1. For 8 hours per day for a 5-day, 40-hour workweek for 52 weeks per year, including paid holidays, vacations, and other paid leave, or

2. The number of hours or days per week, including paid holidays, vacations and other paid leave, currently established by schedule, custom, or otherwise, as constituting a week of full-time work for the kind of service an individual performs for an employing unit.

“*Job creation goal*” means the number of new high-quality jobs that the business pledged to create in its application.

“*Program*” means the new capital investment program.

“*Project*” means the activity, or set of activities, proposed in the application by the business, which will result in accomplishing the goals of the program and for which the business requests benefits. A project may include the start-up, location, or expansion of a business.

“*Project completion*” means the date of completion of all improvements necessary for the start-up, location, or expansion of the business within the community.

“*Project initiation*” means any one of the following:

1. The start of construction of new or expanded buildings;

2. The start of rehabilitation of existing buildings;

3. The purchase or leasing of existing buildings; or

4. The installation of new machinery and equipment or new computers to be used in the operation of the business’s project.

The purchase of land or signing an option to purchase land or earth moving or other site development activities not involving actual building construction, expansion or rehabilitation shall not constitute project initiation.

“Retained jobs” means the full-time jobs that are at risk of being eliminated if the project does not proceed as planned.

“Tax credit certificate” means a document issued by the department to an approved business which indicates the amount of unused investment tax credit the business may receive in the form of a refund.

“Value-added agricultural products” means agricultural products which, through a series of activities or processes, can be sold at a higher price than the original purchase price.