

261—49.3(404A) Definitions. For purposes of this chapter, unless the context otherwise requires:

“*Agreement*” means an agreement between an eligible taxpayer and the authority concerning a qualified rehabilitation project as provided in Iowa Code section 404A.3(3) and rule 261—49.12(404A).

“*Applicant*” means an eligible taxpayer described in rule 261—49.9(404A).

“*Assessed value*” means the value of the eligible property on the most current property tax assessment at the time that the relevant application or agreement is submitted or the agreement is signed, as applicable.

“*Authority*” means the economic development authority.

“*Authority’s website*” means the information and related content found at www.iowaeda.com and may include integrated content at affiliate sites.

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

“*Certificate*” means a historic preservation tax credit certificate issued pursuant to Iowa Code section 404A.3(5).

“*Commencement date*” means the date by which the qualified rehabilitation project must begin.

“*Commercial property*” means property classified as commercial, industrial, railroad, utility, or residential for property tax purposes under rules 701—102.1(405,427A,428,441,499B), 701—106.1(434), and 701—107.1(428,433,437,438). “Commercial property” does not include property classified as residential property under 701—subparagraph 102.1(4) “c”(1).

“*Completion date*” means the date on which property that is the subject of a qualified rehabilitation project is placed in service, as that term is used in Section 47 of the Internal Revenue Code.

“*Department*” means the department of cultural affairs.

“*Director*” means the director of the economic development authority.

“*Eligible taxpayer*” means the fee simple owner of the property that is the subject of a qualified rehabilitation project, or another person who will qualify for the federal rehabilitation credit allowed under Section 47 of the Internal Revenue Code with respect to the property that is the subject of a qualified rehabilitation project.

“*Federal rehabilitation credit*” or “*federal credit*” means the tax credit allowed under Section 47 of the Internal Revenue Code.

“*Federal standards*” means the U.S. Secretary of the Interior’s standards for rehabilitation set forth in 36 CFR Section 67.7.

“*Government funding*” includes but is not limited to:

1. Any funding the applicant received from a federal, state, or local government; or
2. Funding from a third party or a series of third parties where those funds originally came from a government or were derived from a government payment, grant, loan, tax credit or rebate or other government incentive; or
3. Funding from a third party or a series of third parties where those funds are derived from, secured by, or otherwise received in anticipation of a government payment, grant, loan, tax credit or rebate or other government incentive.

“*Historically significant*” means a property that is at least one of the following:

1. Property listed on the National Register of Historic Places or eligible for such listing.
2. Property designated as contributing to a district listed in the National Register of Historic Places or eligible for such designation.
3. Property or district designated a local landmark by a city or county ordinance.
4. A barn constructed prior to 1937.

“*Large project*” means a qualified rehabilitation project with estimated final qualified rehabilitation expenditures of more than \$750,000.

“*National Register of Historic Places*” means the same as defined in rule 223—35.2(303).

“*Noncommercial property*” means property other than “commercial property” as defined in this rule. “Noncommercial property” includes barns constructed prior to 1937.

“*Nonprofit organization*” means an organization 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. “Nonprofit organization” does not include a governmental body, as that term is defined in Iowa Code section 362.2.

“*Part 1 application*” means an application submitted to SHPO to determine whether a property is historically significant.

“*Part 2 application*” means an application submitted to SHPO to determine whether the proposed rehabilitation work meets the federal standards.

“*Part 2B application*” means an application submitted to the authority, after a Part 2 application has been approved by SHPO but before a Part 3 application is submitted, to determine whether a project should be registered for a tentative tax credit award.

“*Part 3 application*” means an application submitted to the authority, after a Part 2B application is approved, to determine whether a project has complied with the terms of an agreement as well as with applicable laws, rules and regulations, including federal standards, and is therefore eligible for issuance of a tax credit certificate.

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

“*Program*” means the historic preservation tax credit program set forth in this chapter.

“*Property*” means the real property that is the subject of a “qualified rehabilitation project” or that is the subject of an application to become a qualified rehabilitation project.

“*Qualified rehabilitation expenditures*” or “*QREs*” means expenditures that meet the definition of “qualified rehabilitation expenditures” in Section 47 of the Internal Revenue Code and as described in rule 261—49.4(404A).

“*Qualified rehabilitation project*” or “*project*” means a project for the rehabilitation of property in this state that meets all of the following criteria:

1. The property is historically significant as defined in this rule.
2. The property meets the federal standards as defined in this rule.
3. The project is a substantial rehabilitation as defined in this rule.

“*Related entities*” means any entity owned or controlled in whole or in part by the applicant; any person or entity that owns or controls in whole or in part the applicant; or any entity owned or controlled in whole or in part by any current or prospective officer, principal, director, or owner of the applicant.

“*Related persons*” means any current or prospective officer, principal, director, member, shareholder, partner, or owner of the applicant.

“*SHPO*” means the state historic preservation office of the department of cultural affairs.

“*Small project*” means a qualified rehabilitation project with estimated final qualified rehabilitation expenditures of \$750,000 or less.

“*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 at least \$50,000, whichever is less; or
2. In the case of noncommercial property, costs totaling at least \$25,000 or 25 percent of the assessed value, excluding the land, prior to rehabilitation, whichever is less.

“*Tax credit*” or “*historic tax credit*” means the historic preservation tax credit established in Iowa Code chapter 404A.

[ARC 2944C, IAB 2/15/17, effective 3/22/17; ARC 6728C, IAB 12/14/22, effective 1/18/23]