

Senate Amendment 5059

Amendment Text

PAG LIN

1 1 Amend [House File 721](#), as passed by the House, as
1 2 follows:
1 3 #1. Page 1, line 2, by striking the word "CREDIT",
1 4 and inserting the following: "CREDITS".
1 5 #2. Page 1, by striking line 3 and inserting the
1 6 following:
1 7 "1. An eligible business may claim an insurance
1 8 premium tax".
1 9 #3. Page 1, by inserting after line 20 the
1 10 following:
1 11 "2. An eligible business which has entered into an
1 12 agreement under chapter 260E and which has increased
1 13 its base employment level by at least ten percent
1 14 within the time set in the agreement or, in the case
1 15 of a business without a base employment level, adds
1 16 new jobs within the time set in the agreement is
1 17 entitled to a new jobs insurance premium tax credit
1 18 for the tax year selected by the business. In
1 19 determining if the business has increased its base
1 20 employment level by ten percent or added new jobs,
1 21 only the new jobs directly resulting from the project
1 22 covered by the agreement and the new jobs directly
1 23 related to those new jobs shall be counted. The
1 24 amount of the credit is equal to the product of six
1 25 percent of the taxable wages upon which an employer is
1 26 required to contribute to the state unemployment
1 27 compensation fund, as defined in section 96.19,
1 28 subsection 37, times the number of new jobs existing
1 29 in the tax year that directly result from the project
1 30 covered by the agreement or new jobs that directly
1 31 result from those new jobs. The tax year chosen by
1 32 the business shall either begin or end during the
1 33 period beginning with the date by which the project is
1 34 to be completed under the agreement. Any credit in
1 35 excess of the tax liability for the tax year may be
1 36 credited to the tax liability for the following seven
1 37 years or until depleted, whichever occurs earlier.
1 38 For purposes of this subsection, "agreement", "new
1 39 job", and "project" mean the same as defined in
1 40 section 260E.2 and "base employment level" means the
1 41 number of full-time jobs a business employs at the
1 42 site which is covered by an agreement under chapter
1 43 260E on the date of that agreement."
1 44
1 45
1 46
1 47 COMMITTEE ON [WAYS AND MEANS](#)
1 48 JoANN DOUGLAS, Chairperson
1 49 [HF 721.302](#) 77
1 50 tm/cf