

Senate Amendment 3322

PAG LIN

1 1 Amend Senate File 304, as passed by the Senate, as
1 2 follows:
1 3 #1. By striking everything after the enacting
1 4 clause and inserting the following:
1 5 <Section 1. Section 403.19A, subsection 3,
1 6 paragraph c, Code 2009, is amended to read as follows:
1 7 c. (1) The pilot project city shall enter into a
1 8 withholding agreement with each employer concerning
1 9 the targeted jobs withholding credit. The withholding
1 10 agreement shall provide for the total amount of
1 11 withholding tax credits awarded. An agreement shall
1 12 not provide for an amount of withholding credits that
1 13 exceeds the amount of the qualifying investment made
1 14 in the project. However, an An agreement shall not be
1 15 entered into by a pilot project city with a business
1 16 currently located in this state unless the business
1 17 either creates ten new jobs or makes a qualifying
1 18 investment of at least five hundred thousand dollars
1 19 within the urban renewal area. The withholding
1 20 agreement may have a term of up to ten years. An
1 21 employer shall not be obligated to enter into a
1 22 withholding agreement. An agreement shall not be
1 23 entered into with an employer not already located in a
1 24 pilot project city when another Iowa community is
1 25 competing for the same project and both the pilot
1 26 project city and the other Iowa community are seeking
1 27 assistance from the department.
1 28 (2) The pilot project city shall not enter into a
1 29 withholding agreement after June 30, ~~2010~~ 2013.
1 30 (3) The pilot project city shall provide on an
1 31 annual basis to the department of economic development
1 32 information documenting the total amount of payments
1 33 and receipts under a withholding agreement, including
1 34 all agreements with an employer to suspend, abate,
1 35 exempt, rebate, refund, or reimburse property taxes,
1 36 to provide a grant for property taxes paid or a grant
1 37 not related to property taxes, or to make a direct
1 38 payment of taxes, with moneys in the special fund.
1 39 The department of economic development shall verify
1 40 the information provided by the pilot project city.
1 41 (4) The department shall have the authority to
1 42 approve or deny a withholding agreement and shall only
1 43 deny an agreement if the agreement fails to meet the
1 44 requirements of this paragraph "c" or the local match
1 45 requirements in paragraph "j", or if an employer is
1 46 not in good standing as to prior or existing
1 47 agreements with the department of economic
1 48 development. The department may suggest changes to an
1 49 agreement.
1 50 Sec. 2. Section 403.19A, subsection 3, paragraph
2 1 j, Code 2009, is amended by striking the paragraph and
2 2 inserting in lieu thereof the following:
2 3 j. (1) A pilot project city entering into a
2 4 withholding agreement shall arrange for matching local
2 5 financial support for the project. The local match
2 6 required under this paragraph "j" shall be in an
2 7 amount equal to one dollar for every dollar of
2 8 withholding credit received by the pilot project city.
2 9 (2) For purposes of this paragraph "j", "local
2 10 financial support" means cash or in-kind contributions
2 11 to the project from a private donor, a business, or
2 12 the pilot project city.
2 13 (3) If the project, when completed, will increase
2 14 the amount of an employer's taxable capital investment
2 15 by an amount equal to at least ten percent of the
2 16 amount of withholding credit dollars received by the
2 17 pilot project city, then the pilot project city shall
2 18 itself contribute at least ten percent of the local
2 19 match amount computed under subparagraph (1).
2 20 (4) If the project, when completed, will not
2 21 increase the amount of an employer's taxable capital
2 22 investment by an amount at least equal to ten percent
2 23 of the amount of withholding credit dollars received
2 24 by the pilot project city, then the pilot project city

2 25 shall not be required to make a contribution to the
2 26 local match.
2 27 (5) A pilot project city's contribution, if any,
2 28 to the local match may include the dollar value of any
2 29 tax abatement provided by the city to the business for
2 30 new construction.>
2 31 [#2.](#) By renumbering as necessary.
2 32 SF 304.H
2 33 tw/cm/25