

Senate Amendment to  
House File 2453

H-8287

1 Amend House File 2453, as passed by the House, as  
2 follows:

3 1. By striking everything after the enacting clause  
4 and inserting:

5 <Section 1. Section 16.188, subsection 3, paragraph  
6 b, subparagraph (1), Code 2014, is amended to read as  
7 follows:

8 (1) Projects that are eligible for historic  
9 preservation and cultural and entertainment district  
10 tax credits under section ~~404A.1~~ 404A.2.

11 Sec. 2. Section 404A.1, Code 2014, is amended by  
12 striking the section and inserting in lieu thereof the  
13 following:

14 **404A.1 Definitions.**

15 For purposes of this chapter, unless the context  
16 otherwise requires:

17 1. "*Completion date*" means the date on which  
18 property that is the subject of a qualified  
19 rehabilitation project is placed in service, as that  
20 term is used in section 47 of the Internal Revenue  
21 Code.

22 2. "*Department*" means the department of cultural  
23 affairs.

24 3. "*Eligible taxpayer*" means the owner of  
25 the property that is the subject of a qualified  
26 rehabilitation project, or another person who will  
27 qualify for the federal rehabilitation credit allowed  
28 under section 47 of the Internal Revenue Code with  
29 respect to the property that is the subject of a  
30 qualified rehabilitation project.

31 4. "*Nonprofit organization*" means an organization  
32 described in section 501 of the Internal Revenue Code  
33 unless the exemption is denied under section 501, 502,  
34 503, or 504 of the Internal Revenue Code. "*Nonprofit*  
35 *organization*" does not include a governmental body, as  
36 that term is defined in section 362.2.

37 5. "*Program*" shall mean the historic preservation  
38 and cultural and entertainment district tax credit  
39 program set forth in this chapter.

40 6. a. "*Qualified rehabilitation expenditures*" means  
41 the same as defined in section 47 of the Internal  
42 Revenue Code. Notwithstanding the foregoing sentence,  
43 expenditures incurred by an eligible taxpayer that is  
44 a nonprofit organization shall be considered "*qualified*  
45 *rehabilitation expenditures*" if they are any of the  
46 following:

47 (1) Expenditures made for structural components, as  
48 that term is defined in 26 C.F.R. §1.48-1(e)(2).

49 (2) Expenditures made for architectural and  
50 engineering fees, site survey fees, legal expenses,

1 insurance premiums, and development fees.  
2 *b. "Qualified rehabilitation expenditures"* does not  
3 include those expenditures financed by federal, state,  
4 or local government grants or forgivable loans unless  
5 otherwise allowed under section 47 of the Internal  
6 Revenue Code.  
7 *c. "Qualified rehabilitation expenditures"* may  
8 include expenditures incurred prior to the date  
9 an agreement is entered into under section 404A.3,  
10 subsection 3.  
11 7. *"Qualified rehabilitation project"* means a  
12 project for the rehabilitation of property in this  
13 state that meets all of the following criteria:  
14 *a.* The property is at least one of the following:  
15 (1) Property listed on the national register of  
16 historic places or eligible for such listing.  
17 (2) Property designated as of historic significance  
18 to a district listed in the national register of  
19 historic places or eligible for such designation.  
20 (3) Property or district designated a local  
21 landmark by a city or county ordinance.  
22 (4) A barn constructed prior to 1937.  
23 *b.* The property meets the physical criteria and  
24 standards for rehabilitation established by the  
25 department by rule. To the extent applicable, the  
26 physical standards and criteria shall be consistent  
27 with the United States secretary of the interior's  
28 standards for rehabilitation.  
29 *c.* The project has qualified rehabilitation  
30 expenditures that meet or exceed the following:  
31 (1) In the case of commercial property,  
32 expenditures totaling at least fifty thousand dollars  
33 or fifty percent of the assessed value of the property,  
34 excluding the land, prior to rehabilitation, whichever  
35 is less.  
36 (2) In the case of property other than commercial  
37 property, including but not limited to barns  
38 constructed prior to 1937, expenditures totaling at  
39 least twenty-five thousand dollars or twenty-five  
40 percent of the assessed value, excluding the land,  
41 prior to rehabilitation, whichever is less.  
42 Sec. 3. Section 404A.2, Code 2014, is amended by  
43 striking the section and inserting in lieu thereof the  
44 following:  
45 **404A.2 Historic preservation and cultural and**  
46 **entertainment district tax credit.**  
47 1. An eligible taxpayer who has entered into  
48 an agreement under section 404A.3, subsection 3,  
49 is eligible to receive a historic preservation and  
50 cultural and entertainment district tax credit

1 in an amount equal to twenty-five percent of the  
2 qualified rehabilitation expenditures of a qualified  
3 rehabilitation project that are specified in the  
4 agreement. Notwithstanding any other provision of  
5 this chapter or any provision in the agreement to the  
6 contrary, the amount of the tax credits shall not  
7 exceed twenty-five percent of the final qualified  
8 rehabilitation expenditures verified by the department  
9 pursuant to section 404A.3, subsection 5, paragraph  
10 "c".

11 2. The tax credit shall be allowed against the  
12 taxes imposed in chapter 422, divisions II, III,  
13 and V, and in chapter 432. An individual may claim  
14 a tax credit under this section of a partnership,  
15 limited liability company, S corporation, estate,  
16 or trust electing to have income taxed directly to  
17 the individual. For an individual claiming a tax  
18 credit of an estate or trust, the amount claimed  
19 by the individual shall be based upon the pro rata  
20 share of the individual's earnings from the estate  
21 or trust. For an individual claiming a tax credit  
22 of a partnership, limited liability company, or S  
23 corporation, the amount claimed by the partner, member,  
24 or shareholder, respectively, shall be based upon  
25 the amounts designated by the eligible partnership,  
26 S corporation, or limited liability company, as  
27 applicable.

28 3. Any credit in excess of the taxpayer's tax  
29 liability for the tax year shall be refunded with  
30 interest computed under section 422.25. In lieu of  
31 claiming a refund, a taxpayer may elect to have the  
32 overpayment shown on the taxpayer's final, completed  
33 return credited to the tax liability for the following  
34 year.

35 4. a. To claim a tax credit under this section,  
36 a taxpayer shall include one or more tax credit  
37 certificates with the taxpayer's tax return.

38 b. The tax credit certificate shall contain the  
39 taxpayer's name, address, tax identification number,  
40 the amount of the credit, the name of the eligible  
41 taxpayer, any other information required by the  
42 department of revenue, and a place for the name and tax  
43 identification number of a transferee and the amount of  
44 the tax credit being transferred.

45 c. The tax credit certificate, unless rescinded by  
46 the department, shall be accepted by the department  
47 of revenue as payment for taxes imposed in chapter  
48 422, divisions II, III, and V, and in chapter 432,  
49 subject to any conditions or restrictions placed by  
50 the department or the department of revenue upon the

1 face of the tax credit certificate and subject to the  
2 limitations of this program.

3 5. a. Tax credit certificates issued under  
4 section 404A.3 may be transferred to any person.  
5 Within ninety days of transfer, the transferee shall  
6 submit the transferred tax credit certificate to the  
7 department of revenue along with a statement containing  
8 the transferee's name, tax identification number,  
9 and address, the denomination that each replacement  
10 tax credit certificate is to carry, and any other  
11 information required by the department of revenue.  
12 However, tax credit certificate amounts of less  
13 than the minimum amount established by rule of the  
14 department of revenue shall not be transferable.

15 b. Within thirty days of receiving the transferred  
16 tax credit certificate and the transferee's statement,  
17 the department of revenue shall issue one or more  
18 replacement tax credit certificates to the transferee.  
19 Each replacement tax credit certificate must contain  
20 the information required for the original tax credit  
21 certificate and must have the same expiration date that  
22 appeared on the transferred tax credit certificate.

23 c. A tax credit shall not be claimed by a  
24 transferee under this section until a replacement tax  
25 credit certificate identifying the transferee as the  
26 proper holder has been issued. The transferee may use  
27 the amount of the tax credit transferred against the  
28 taxes imposed in chapter 422, divisions II, III, and  
29 V, and in chapter 432, for any tax year the original  
30 transferor could have claimed the tax credit. Any  
31 consideration received for the transfer of the tax  
32 credit shall not be included as income under chapter  
33 422, divisions II, III, and V. Any consideration  
34 paid for the transfer of the tax credit shall not be  
35 deducted from income under chapter 422, divisions II,  
36 III, and V.

37 6. For purposes of the individual and corporate  
38 income taxes and the franchise tax, the increase in  
39 the basis of the rehabilitated property that would  
40 otherwise result from the qualified rehabilitation  
41 expenditures shall be reduced by the amount of the  
42 credit computed under this section.

43 Sec. 4. Section 404A.3, Code 2014, is amended by  
44 striking the section and inserting in lieu thereof the  
45 following:

46 **404A.3 Application and registration — agreement —**  
47 **compliance and examination.**

48 1. *Application and fees.*

49 a. An eligible taxpayer seeking historic  
50 preservation and cultural and entertainment district

1 tax credits provided in section 404A.2 shall make  
2 application to the department in the manner prescribed  
3 by the department.

4 *b.* The department may accept applications on a  
5 continuous basis or may accept applications, or one or  
6 more components of an application, during one or more  
7 application periods.

8 *c.* The application shall include any information  
9 deemed necessary by the department to evaluate  
10 the eligibility under the program of the applicant  
11 and the rehabilitation project, the amount of  
12 projected qualified rehabilitation expenditures of a  
13 rehabilitation project, and the amount and source of  
14 all funding for a rehabilitation project. An applicant  
15 shall have the burden of proof to demonstrate to the  
16 department that the applicant is an eligible taxpayer  
17 and the project is a qualified rehabilitation project  
18 under the program.

19 *d.* The department may establish criteria for the  
20 use of electronic or other alternative filing or  
21 submission methods for any application, document, or  
22 payment requested or required under this program. Such  
23 criteria may provide for the acceptance of a signature  
24 in a form other than the handwriting of a person.

25 *e.* (1) The department may charge application  
26 and other fees to eligible taxpayers who apply to  
27 participate in the program. The amount of such  
28 fees shall be determined based on the costs of the  
29 department associated with administering the program.

30 (2) Fees collected by the department pursuant to  
31 this paragraph shall be deposited with the department  
32 pursuant to section 303.9, subsection 1.

33 *2. Registration.*

34 *a.* Upon review of the application, the department  
35 may register a qualified rehabilitation project under  
36 the program. If the department registers the project,  
37 the department shall make a preliminary determination  
38 as to the amount of tax credits for which the project  
39 qualifies.

40 *b.* After registering the qualified rehabilitation  
41 project, the department shall notify the eligible  
42 taxpayer of successful registration under the program.  
43 The notification shall include the amount of tax  
44 credits under section 404A.2 for which the qualified  
45 rehabilitation project has received a tentative award  
46 and a statement that the amount is a preliminary  
47 determination only.

48 *3. Agreement.*

49 *a.* Upon successful registration of a qualified  
50 rehabilitation project, the eligible taxpayer shall

1 enter into an agreement with the department for the  
2 successful completion of all requirements of the  
3 program.

4 *b.* The agreement shall contain mutually agreeable  
5 terms and conditions which, at a minimum, provide for  
6 the following:

7 (1) The amount of the tax credit award. An  
8 eligible taxpayer has no right to receive a tax  
9 credit certificate or claim a tax credit until all  
10 requirements of the agreement and subsections 4 and 5  
11 have been satisfied. The amount of tax credit included  
12 on a tax credit certificate issued under this section  
13 shall be contingent upon verification by the department  
14 of the amount of final qualified rehabilitation  
15 expenditures.

16 (2) The rehabilitation work to be performed.

17 (3) The budget of the qualified rehabilitation  
18 project, including the projected qualified  
19 rehabilitation expenditures, allowable cost overruns,  
20 and the source and amount of all funding received or  
21 anticipated to be received. The amount of allowable  
22 cost overruns provided for in the agreement shall not  
23 exceed the following amount:

24 (a) For a qualified rehabilitation project with  
25 final qualified rehabilitation expenditures of not more  
26 than seven hundred fifty thousand dollars, fifteen  
27 percent of the projected qualified rehabilitation  
28 expenditures provided for in the agreement.

29 (b) For a qualified rehabilitation project with  
30 final qualified rehabilitation expenditures of more  
31 than seven hundred fifty thousand dollars but not more  
32 than six million dollars, ten percent of the projected  
33 qualified rehabilitation expenditures provided for in  
34 the agreement.

35 (c) For a qualified rehabilitation project with  
36 final qualified rehabilitation expenditures of more  
37 than six million dollars, five percent of the projected  
38 qualified rehabilitation expenditures provided for in  
39 the agreement.

40 (4) The commencement date of the qualified  
41 rehabilitation project, which shall not be later than  
42 the end of the fiscal year in which the agreement is  
43 entered into.

44 (5) The completion date of the qualified  
45 rehabilitation project, which shall be within  
46 thirty-six months of the commencement date.

47 (6) The date on which the agreement terminates,  
48 which date shall not be earlier than five years from  
49 the date on which the tax credit certificate is issued.

50 4. *Compliance.*

1 a. The eligible taxpayer shall, for the length  
2 of the agreement, annually certify to the department  
3 compliance with the requirements of the agreement.  
4 The certification shall be made at such time as the  
5 department shall determine in the agreement.

6 b. The eligible taxpayer shall have the burden  
7 of proof to demonstrate to the department that all  
8 requirements of the agreement are satisfied. The  
9 taxpayer shall notify the department in a timely  
10 manner of any changes in the qualification of the  
11 rehabilitation project or in the eligibility of  
12 the taxpayer to claim the tax credit provided under  
13 this chapter, or of any other change that may have a  
14 negative impact on the eligible taxpayer's ability  
15 to successfully complete any requirement under the  
16 agreement.

17 c. (1) If after entering into the agreement but  
18 before a tax credit certificate is issued, the eligible  
19 taxpayer or the qualified rehabilitation project no  
20 longer meets the requirements of the agreement, the  
21 department may find the taxpayer in default under the  
22 agreement and may revoke the tax credit award.

23 (2) If an eligible taxpayer obtains a tax credit  
24 certificate from the department by way of a prohibited  
25 activity, the eligible taxpayer and any transferee  
26 shall be jointly and severally liable to the state for  
27 the amount of the tax credits so issued, interest and  
28 penalties allowed under chapter 422, and reasonable  
29 attorney fees and litigation costs, except that the  
30 liability of the transferee shall not exceed an amount  
31 equal to the amount of the tax credits acquired by  
32 the transferee. The department of revenue, upon  
33 notification or discovery that a tax credit certificate  
34 was issued to an eligible taxpayer by way of a  
35 prohibited activity, shall revoke any outstanding  
36 tax credit and seek repayment of the value of any tax  
37 credit already claimed, and the failure to make such a  
38 repayment may be treated by the department of revenue  
39 in the same manner as a failure to pay the tax shown  
40 due or required to be shown due with the filing of a  
41 return or deposit form. A qualifying transferee is not  
42 subject to the liability, revocation, and repayment  
43 imposed under this subparagraph.

44 (3) For purposes of this paragraph:

45 (a) "*Prohibited activity*" means a breach or default  
46 under the agreement with the department, the violation  
47 of any warranty provided by the eligible taxpayer  
48 to the department or the department of revenue, the  
49 claiming of a tax credit issued under this chapter for  
50 expenditures that are not qualified rehabilitation

1 expenditures, the violation of any requirements of this  
2 chapter or rules adopted pursuant to this chapter,  
3 misrepresentation, fraud, or any other unlawful act or  
4 omission.

5 (b) "*Qualifying transferee*" means a transferee who  
6 acquires a tax credit certificate issued under this  
7 chapter for value, in good faith, without actual or  
8 constructive notice of a prohibited activity of the  
9 eligible taxpayer who was originally issued the tax  
10 credit, and without actual or constructive notice  
11 of any other claim to or defense against the tax  
12 credit, and which transferee is not associated with  
13 the eligible taxpayer by being one or more of the  
14 following:

15 (i) An owner, member, shareholder, or partner  
16 of the eligible taxpayer who directly or indirectly  
17 owns or controls, in whole or in part, the eligible  
18 taxpayer.

19 (ii) A director, officer, or employee of the  
20 eligible taxpayer.

21 (iii) A relative of the eligible taxpayer or a  
22 person listed in subparagraph subdivision (i) or (ii)  
23 or, if the eligible taxpayer or an owner, member,  
24 shareholder, or partner of the eligible taxpayer is a  
25 legal entity, the natural persons who ultimately own  
26 such legal entity.

27 (iv) A person who is owned or controlled, in  
28 whole or in part, by a person listed in subparagraph  
29 subdivision (i) or (ii).

30 (c) "*Relative*" means an individual related by  
31 consanguinity within the second degree as determined  
32 by common law, a spouse, or an individual related to  
33 a spouse within the second degree as so determined,  
34 and includes an individual in an adoptive relationship  
35 within the second degree.

36 5. *Examination and audit of project.*

37 a. An eligible taxpayer shall engage a certified  
38 public accountant authorized to practice in this  
39 state to conduct an examination of the project in  
40 accordance with the American institute of certified  
41 public accountants' statements on standards for  
42 attestation engagements. Upon completion of the  
43 qualified rehabilitation project, the eligible taxpayer  
44 shall submit the examination to the department, along  
45 with a statement of the amount of final qualified  
46 rehabilitation expenditures and any other information  
47 deemed necessary by the department or the department of  
48 revenue in order to verify that all requirements of the  
49 agreement, this chapter, and all rules adopted pursuant  
50 to this chapter have been satisfied.



1     *b.* Notwithstanding paragraph “*a*”, the department  
2 may waive the examination requirement in this  
3 subsection if all the following requirements are  
4 satisfied:

5         (1) The final qualified rehabilitation expenditures  
6 of the qualified rehabilitation project, as verified  
7 by the department, do not exceed one hundred thousand  
8 dollars.

9         (2) The qualified rehabilitation project is funded  
10 exclusively by private funding sources.

11     *c.* Upon review of the examination, if applicable,  
12 the department shall verify that all requirements of  
13 the agreement, this chapter, and all rules adopted  
14 pursuant to this chapter have been satisfied and shall  
15 verify the amount of final qualified rehabilitation  
16 expenditures. After consultation with the department  
17 of revenue, the department may issue a tax credit  
18 certificate to the eligible taxpayer stating the  
19 amount of tax credit under section 404A.2 the eligible  
20 taxpayer may claim. The department shall issue the tax  
21 credit certificate not later than 60 days following the  
22 completion of the examination review, if applicable,  
23 and the verifications and consultation required under  
24 this paragraph.

25     6. Notwithstanding any other provision of this  
26 chapter to the contrary, the department may waive the  
27 requirements of subsections 1 through 4, except the  
28 requirements relating to allowable cost overruns in  
29 subsection 3, paragraph “*b*”, subparagraph (3), and  
30 the requirements in subsection 4, paragraphs “*b*” and  
31 “*c*”, for qualified rehabilitation projects with final  
32 qualified rehabilitation expenditures of seven hundred  
33 fifty thousand dollars or less and may establish by  
34 rule different application, registration, agreement,  
35 compliance, or other requirements relating to such  
36 projects.

37     7. The department may for good cause amend an  
38 agreement.

39     Sec. 5. Section 404A.4, Code 2014, is amended by  
40 striking the section and inserting in lieu thereof the  
41 following:

42         **404A.4 Aggregate tax credit award limit.**

43         1. *a.* Except as provided in subsections 2 and 3,  
44 the department shall not award in any one fiscal year  
45 an amount of tax credits provided in section 404A.2 in  
46 excess of forty-five million dollars.

47         *b.* Of the tax credits that may be awarded in  
48 a fiscal year pursuant to paragraph “*a*”, at least  
49 five percent of the dollar amount of the tax credits  
50 shall be allocated for purposes of new qualified

1 rehabilitation projects with final qualified  
2 rehabilitation expenditures of seven hundred fifty  
3 thousand dollars or less.

4 2. a. The amount of a tax credit that is awarded  
5 during a fiscal year beginning on or after July 1,  
6 2016, and that is irrevocably declined or revoked on or  
7 before June 30 of the next fiscal year may be awarded  
8 under section 404A.3 during the fiscal year in which  
9 the declination or revocation occurs.

10 b. The amount of a tax credit that was reserved  
11 prior to the effective date of this Act under section  
12 404A.4, Code 2014, for use in a fiscal year beginning  
13 before July 1, 2016, that is irrevocably declined or  
14 revoked on or after the effective date of this Act,  
15 but before July 1, 2016, may be awarded under section  
16 404A.3 during the fiscal year in which such declination  
17 or revocation occurs. Such tax credits awarded shall  
18 not be claimed by a taxpayer in a fiscal year that is  
19 earlier than the fiscal year for which the tax credits  
20 were originally reserved.

21 c. The amount of a tax credit that was available  
22 for approval by the state historical preservation  
23 office of the department under section 404A.4, Code  
24 2014, in a fiscal year beginning on or after July 1,  
25 2010, but before July 1, 2014, that was required to  
26 be allocated to new projects with final qualified  
27 rehabilitation costs of five hundred thousand dollars  
28 or less, or seven hundred fifty thousand dollars or  
29 less, as the case may be, and that was not finally  
30 approved by the state historical preservation office,  
31 may be awarded under section 404A.3 during the fiscal  
32 years beginning on or after July 1, 2014, but before  
33 July 1, 2016.

34 d. Tax credits awarded pursuant to this subsection  
35 shall not be considered for purposes of calculating the  
36 aggregate tax credit award limit in subsection 1.

37 3. a. If during the fiscal year beginning July 1,  
38 2016, or any fiscal year thereafter, the department  
39 awards an amount of tax credits that is less than the  
40 maximum aggregate tax credit award limit specified  
41 in subsection 1, the difference between the amount  
42 so awarded and the amount specified in subsection 1,  
43 not to exceed ten percent of the amount specified in  
44 subsection 1, may be carried forward to the succeeding  
45 fiscal year and awarded during that fiscal year.

46 b. Tax credits awarded pursuant to this subsection  
47 shall not be considered for purposes of calculating the  
48 aggregate tax credit award limit in subsection 1.

49 Sec. 6. Section 404A.5, Code 2014, is amended to  
50 read as follows:

1       **404A.5 Economic impact — recommendations.**

2       1. The department ~~of cultural affairs~~, in  
3 consultation with the department of revenue, shall be  
4 responsible for keeping the general assembly and the  
5 legislative services agency informed on the overall  
6 economic impact to the state of ~~the rehabilitation of~~  
7 eligible properties qualified rehabilitation projects.

8       2. An annual report shall be filed which shall  
9 include but is not limited to data on the number and  
10 potential value of qualified rehabilitation projects  
11 begun during the latest twelve-month period, the total  
12 historic preservation and cultural and entertainment  
13 district tax credits originally ~~granted~~ awarded or  
14 tax credit certificates originally issued during that  
15 period, the potential reduction in state tax revenues  
16 as a result of all awarded or issued tax credits still  
17 unused unclaimed and eligible for refund, and the  
18 potential increase in local property tax revenues as a  
19 result of the ~~rehabilitated~~ qualified rehabilitation  
20 projects.

21       3. The department ~~of cultural affairs~~, to the  
22 extent it is able, shall provide recommendations  
23 on whether a the limit on tax credits should be  
24 ~~established~~ changed, the need for a broader or more  
25 restrictive definition of eligible property qualified  
26 rehabilitation project, and other adjustments to the  
27 tax credits under this chapter.

28       Sec. 7. NEW SECTION. 404A.6 Rules.

29       The department and the department of revenue shall  
30 each adopt rules to jointly administer this chapter.

31       Sec. 8. Section 422.11D, Code 2014, is amended by  
32 striking the section and inserting in lieu thereof the  
33 following:

34       **422.11D Historic preservation and cultural and**  
35 **entertainment district tax credit.**

36       The taxes imposed under this division, less  
37 the credits allowed under section 422.12, shall be  
38 reduced by a historic preservation and cultural and  
39 entertainment district tax credit allowed under section  
40 404A.2.

41       Sec. 9. Section 422.33, subsection 10, Code 2014,  
42 is amended by striking the subsection and inserting in  
43 lieu thereof the following:

44       10. The taxes imposed under this division shall be  
45 reduced by a historic preservation and cultural and  
46 entertainment district tax credit allowed under section  
47 404A.2.

48       Sec. 10. Section 422.60, subsection 4, Code 2014,  
49 is amended by striking the subsection and inserting in  
50 lieu thereof the following:

1 4. The taxes imposed under this division shall be  
2 reduced by a historic preservation and cultural and  
3 entertainment district tax credit allowed under section  
4 404A.2.

5 Sec. 11. Section 432.12A, Code 2014, is amended by  
6 striking the section and inserting in lieu thereof the  
7 following:

8 **432.12A Historic preservation and cultural and**  
9 **entertainment district tax credit.**

10 The taxes imposed under this chapter shall be  
11 reduced by a historic preservation and cultural and  
12 entertainment district tax credit allowed under section  
13 404A.2.

14 Sec. 12. APPLICABILITY. Unless otherwise provided  
15 in this Act, this Act applies to agreements entered  
16 into by the department and an eligible taxpayer  
17 on or after the effective date of this Act, and  
18 rehabilitation projects for which a project application  
19 was approved and tax credits reserved prior to the  
20 effective date of this Act shall be governed by  
21 sections 404A.1 through 404A.5, Code 2014.>