

JAN 3 1 2006
ECONOMIC GROWTH

HOUSE FILE 2206
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Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the amount of historic preservation and
2 cultural and entertainment district tax credits allowed each
3 fiscal year.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2206

1 Section 1. Section 404A.4, subsection 4, Code Supplement
2 2005, is amended to read as follows:

3 4. The total amount of tax credits that may be approved
4 for a fiscal year under this chapter shall not exceed two
5 twenty million four-hundred-thousand dollars, of which at
6 least four million dollars shall be allocated for purposes of
7 projects with a cost of five hundred thousand dollars or less.
8 For the fiscal period beginning July 1, 2005, and ending June
9 30, 2015, an additional four million dollars of tax credits
10 may be approved each fiscal year for purposes of projects
11 located in cultural and entertainment districts certified
12 pursuant to section 303.3B. Any of the additional tax credits
13 allocated for projects located in certified cultural and
14 entertainment districts that are not approved during a fiscal
15 year shall be applied to reserved tax credits issued in
16 accordance with section 404A.3 in order of original
17 reservation. The department of cultural affairs shall
18 establish by rule the procedures for the application, review,
19 selection, and awarding of certifications of completion. The
20 departments of economic development, cultural affairs, and
21 revenue shall each adopt rules to jointly administer this
22 subsection and shall provide by rule for the method to be used
23 to determine for which fiscal year the tax credits are
24 available. With the exception of tax credits issued pursuant
25 to contracts entered into prior to July 1, 2005, tax credits
26 shall not be reserved for more than five years.

27 EXPLANATION

28 This bill relates to the amount of historic preservation
29 and cultural and entertainment district tax credits allowed
30 each fiscal year.

31 The bill increases the amount of historic preservation and
32 cultural and entertainment district tax credits that may be
33 approved for a fiscal year from \$2.4 million each fiscal year
34 to \$20 million each fiscal year. The bill provides that, of
35 the \$20 million of tax credits allowed each fiscal year, at

1 least \$4 million shall be allocated for purposes of projects
2 with a cost of \$500,000 or less.

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