

House File 2479 - Introduced

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BY SCHUELLER

A BILL FOR

1 An Act requiring the publication of notice by the recipients of
2 certain tax credits and including retroactive applicability
3 date provisions.

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

1 Section 1. NEW SECTION. 422.18 Public notice of tax
2 credits.

3 1. A taxpayer identified in paragraph "a" or "b" shall
4 complete and file the form described in subsection 2 with the
5 department and shall publish notice of the receipt of a tax
6 credit as provided in subsection 3.

7 a. A taxpayer that has been awarded any of the following is
8 subject to this section:

9 (1) A redevelopment tax credit allowed in section 15.293A.

10 (2) A tax credit allowed under the high quality jobs program
11 administered pursuant to sections 15.326 through 15.336.

12 (3) An investment or expenditure credit allowed under
13 the film, television, and video project promotion program
14 administered pursuant to sections 15.391 through 15.393.

15 (4) A tax credit or other form of assistance allowed under
16 the quality jobs enterprise zone program administered pursuant
17 to section 15A.9.

18 (5) An investment tax credit for investments in
19 community-based seed capital funds allowed in section 15E.43.

20 (6) A venture capital fund investment tax credit allowed in
21 section 15E.51.

22 (7) An investment tax credit for an investment in the Iowa
23 fund of funds allowed in section 15E.66.

24 (8) A tax credit or other form of assistance allowed under
25 the enterprise zones program administered pursuant to sections
26 15E.191 through 15E.197.

27 (9) An economic development region revolving fund tax
28 credit allowed in section 15E.232. A taxpayer receiving the
29 payment described in section 15E.232, subsection 2, paragraph
30 "b", is also subject to the notice requirements of this section.

31 (10) An endow Iowa tax credit allowed in section 15E.305.

32 (11) An agricultural assets transfer tax credit allowed in
33 section 175.37.

34 (12) A historic preservation and cultural and entertainment
35 district tax credit allowed under chapter 404A.

1 (13) A school tuition organization tax credit allowed in
2 section 422.11S.

3 (14) An assistive device tax credit allowed in section
4 422.33, subsection 9.

5 (15) A wind energy tax credit allowed under chapter 476B.

6 (16) A renewable energy tax credit allowed under chapter
7 476C.

8 *b.* A taxpayer that has claimed any of the following is
9 subject to this section:

10 (1) A research activities tax credit allowed in section
11 15.335, section 15A.9, section 422.10, or section 422.33,
12 subsection 5.

13 (2) An ethanol promotion tax credit allowed in section
14 422.11N.

15 (3) An E-85 gasoline promotion tax credit allowed in section
16 422.11O.

17 (4) A biodiesel blended fuel tax credit allowed in section
18 422.11P.

19 2. *a.* The department shall provide a standard form for
20 taxpayers to record the information to be included in the
21 notice of tax credits awarded or claimed as identified in
22 subsection 1. The form shall include the amount of the credit,
23 the program under which the credit was awarded or claimed,
24 and any other relevant information as determined by the
25 department by rule. For purposes of this subsection, "*other*
26 *relevant information*" means information that is applicable to
27 the particular policy goals of each tax credit and that is
28 necessary to evaluating the achievement of those goals.

29 *b.* The department shall retain the form filed by the
30 taxpayer for purposes of verifying compliance with the notice
31 requirements of this section.

32 3. *a.* A notice published pursuant to this section shall
33 contain all of the information required by the form described
34 in subsection 2.

35 *b.* The notice shall be published in at least one newspaper,

1 as defined in section 618.3, which is published in the county
2 or other political subdivision in which the taxpayer is
3 located. If no newspaper is published in the county or other
4 political subdivision, the notice shall be published in at
5 least one newspaper of general circulation in the county or
6 other political subdivision. If the taxpayer is a business
7 without a physical situs in the state, the notice shall be
8 published in at least one newspaper of substantial circulation
9 in the state.

10 4. a. A taxpayer required to publish notice of a tax credit
11 listed under subsection 1, paragraph "a", shall do so prior
12 to either claiming or transferring the tax credit and shall
13 provide proof of such publication upon either claiming or
14 transferring the tax credit. The department shall not accept a
15 tax credit certificate from a taxpayer subject to subsection 1,
16 paragraph "a", if notice has not been published or if the notice
17 was deficient.

18 b. A transferee is not subject to subsection 1.

19 5. A taxpayer required to publish notice of a tax credit
20 listed under subsection 1, paragraph "b", shall do so within
21 thirty days of claiming the tax credit and shall provide proof
22 of such publication to the department within that time. A
23 taxpayer who does not publish notice within thirty days is
24 subject to disallowance of the amount of tax credit claimed.

25 6. The department shall adopt rules for the administration
26 of this section.

27 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies
28 retroactively to January 1, 2010, for tax years beginning on
29 or after that date.

30 EXPLANATION

31 This bill requires the recipients of certain tax credits to
32 publish notice of such receipt in at least one local newspaper.

33 The bill requires a form to be filed with the department of
34 revenue and notice to be published both for tax credits awarded
35 by state agencies and for tax credits claimed on a tax return,

1 but treats the timing of such publications differently.

2 In the case of tax credits awarded by various state
3 agencies, the taxpayer must publish the notice before claiming
4 or transferring the tax credit certificate. A taxpayer
5 cannot claim the tax credit until notice has been published.
6 Transferees are not subject to the notice publication
7 requirements.

8 In the case of tax credits that are not awarded, taxpayers
9 claiming them on their returns must publish notice of having
10 done so within 30 days of claiming the credit. Taxpayers
11 who do not publish notice within that time are subject to
12 disallowance of the claimed credit amount.

13 The bill requires the department of revenue to prescribe a
14 standard form for each tax credit containing the information
15 that must be included in the notice. Every notice must include
16 the amount of the tax credit and the program under which it was
17 awarded or claimed. In addition, the department is directed to
18 determine other relevant information for each particular tax
19 credit.

20 The following tax credits are subject to the notice
21 publication requirements:

22 1. A redevelopment tax credit allowed in Code section
23 15.293A.

24 2. A tax credit allowed under the high quality jobs program
25 administered pursuant to Code sections 15.326 through 15.336.

26 3. An investment or expenditure credit allowed under
27 the film, television, and video project promotion program
28 administered pursuant to Code sections 15.391 through 15.393.

29 4. A tax credit or other form of assistance allowed under
30 the quality jobs enterprise zone program administered pursuant
31 to Code section 15A.9.

32 5. An investment tax credit for investments in
33 community-based seed capital funds allowed in Code section
34 15E.43.

35 6. A venture capital fund investment tax credit allowed in

1 Code section 15E.51.

2 7. An investment tax credit for an investment in the Iowa
3 fund of funds allowed in Code section 15E.66.

4 8. A tax credit or other form of assistance allowed under
5 the enterprise zones program administered pursuant to Code
6 sections 15E.191 through 15E.197.

7 9. An economic development region revolving fund tax
8 credit allowed in Code section 15E.232. A taxpayer receiving
9 the payment described in Code section 15E.232, subsection 2,
10 paragraph "b", is subject to the notice requirements of this
11 Code section.

12 10. An endow Iowa tax credit allowed in Code section
13 15E.305.

14 11. An agricultural assets transfer tax credit allowed in
15 Code section 175.37.

16 12. A historic preservation and cultural and entertainment
17 district tax credit allowed under Code chapter 404A.

18 13. An assistive device tax credit allowed in Code section
19 422.33, subsection 9.

20 14. Wind and renewable energy tax credits allowed under Code
21 chapters 476B and 476C.

22 15. A school tuition organization tax credit allowed in Code
23 section 422.11S.

24 16. A research activities tax credit allowed in Code section
25 15.335, Code section 15A.9, Code section 422.10, or Code
26 section 422.33, subsection 5.

27 17. An ethanol promotion tax credit allowed in Code section
28 422.11N.

29 18. An E-85 gasoline promotion tax credit allowed in Code
30 section 422.11O.

31 19. A biodiesel blended fuel tax credit in Code section
32 422.11P.

33 The bill applies retroactively to tax years beginning on or
34 after January 1, 2010.