

Senate File 104 - Introduced

SENATE FILE 104

BY PETERSEN

A BILL FOR

1 An Act modifying the tax incentives available under the high
2 quality jobs program and including applicability provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 15.335A, subsection 1, paragraph a, Code
2 2017, is amended by striking the paragraph.

3 Sec. 2. APPLICABILITY. This Act applies to high quality
4 jobs program agreements entered into by an eligible business
5 and the economic development authority on or after July 1,
6 2017, and high quality jobs program agreements entered into by
7 an eligible business and the economic development authority
8 prior to July 1, 2017, shall be governed by section 15.335A,
9 Code 2017.

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EXPLANATION

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The inclusion of this explanation does not constitute agreement with
12 the explanation's substance by the members of the general assembly.

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13 The high quality jobs program administered by the economic
14 development authority makes several types of tax incentives
15 available to eligible businesses that engage in a project in
16 the state. The type and amount of tax incentives available
17 is determined, among other factors, using a progressive scale
18 based on the number of jobs created or retained by the project
19 and the amount of qualifying capital investment involved in
20 the project. Under the first and lowest category on the
21 tax incentive scale, an eligible business is eligible for
22 certain tax incentives according to the amount of qualifying
23 capital investment it makes, and if the number of jobs created
24 or retained by the project is zero. The bill strikes that
25 category. An eligible business will now be required to engage
26 in a project that creates or retains at least one job in order
27 to qualify for tax incentives under the program.

28 The bill applies to high quality jobs program agreements
29 entered into on or after July 1, 2017, and high quality jobs
30 program agreements entered into prior to July 1, 2017, shall be
31 governed by current law.