

Senate File 488 - Introduced

SENATE FILE 488

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 1035)

(COMPANION TO HF 439 BY

COMMITTEE ON ECONOMIC GROWTH)

A BILL FOR

1 An Act relating to the workforce housing tax incentives
2 program by increasing the maximum dollar amount that may be
3 allocated to the program, by requiring allocation to certain
4 housing projects, and by increasing the percentage of
5 investment for tax incentives for certain housing projects.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 15.119, subsection 2, paragraph a,
2 subparagraph (2), Code 2017, is amended to read as follows:

3 (2) In allocating tax credits pursuant to [this subsection](#)
4 for the fiscal year beginning July 1, 2016, and ending June 30,
5 2017, the authority shall not allocate more than one hundred
6 five million dollars for purposes of this paragraph "a". In
7 allocating tax credits pursuant to this paragraph "a" for each
8 fiscal year of the fiscal period beginning July 1, 2016 2017,
9 and ending June 30, 2021, the authority shall not allocate more
10 than for the purposes of this paragraph "a" an amount that
11 exceeds an amount equal to the difference of one hundred five
12 million dollars for purposes of this paragraph less the amount,
13 if any, that the allocation for purposes of paragraph "g"
14 exceeds twenty million dollars for the same fiscal year. This
15 subparagraph (2) is repealed July 1, 2021.

16 Sec. 2. Section 15.119, subsection 2, paragraph a,
17 subparagraph (3), subparagraph division (a), Code 2017, is
18 amended to read as follows:

19 (a) In allocating tax credits pursuant to [this subsection](#)
20 for the fiscal year beginning July 1, 2021, and ending June
21 30, 2022, the authority shall not allocate ~~more than~~ for the
22 purposes of this paragraph "a" an amount that exceeds an amount
23 equal to the difference of one hundred five million dollars for
24 purposes of this paragraph less the amount, if any, that the
25 allocation for purposes of paragraph "g" exceeds twenty million
26 dollars for the same fiscal year if the aggregate amount of
27 renewable chemical production tax credits under [section 15.319](#)
28 that were awarded on or after July 1, 2018, but before July 1,
29 2021, equals or exceeds twenty-seven million dollars.

30 Sec. 3. Section 15.119, subsection 2, paragraph g, Code
31 2017, is amended to read as follows:

32 g. The workforce housing tax incentives program administered
33 pursuant to [sections 15.351 through 15.356](#). In allocating
34 tax credits pursuant to [this subsection](#), the authority shall
35 not allocate more than ~~twenty~~ thirty million dollars for

1 purposes of this paragraph. Of the moneys allocated under this
2 paragraph, ten million dollars shall be reserved for allocation
3 to qualified housing projects in small cities, as defined in
4 section 15.352.

5 Sec. 4. Section 15.352, Code 2017, is amended by adding the
6 following new subsections:

7 NEW SUBSECTION. 3A. "*Greenfield site*" means a site that
8 does not meet the definition of a brownfield site or grayfield
9 site. A project proposed at a site located on previously
10 undeveloped land or agricultural land shall be presumed to be
11 a greenfield site.

12 NEW SUBSECTION. 9. "*Small city*" means any city or township
13 located in this state, except those located within the eleven
14 most populous counties in the state, as determined by the most
15 recent federal decennial census. For the purposes of this
16 part, a small city that is located in more than one county
17 shall be considered to be located in the county having the
18 greatest taxable base within the small city.

19 Sec. 5. Section 15.353, subsection 1, paragraph a, Code
20 2017, is amended to read as follows:

21 a. Four or more single-family dwelling units, except for a
22 project located in a small city, then two or more single-family
23 dwelling units.

24 Sec. 6. Section 15.353, subsection 2, Code 2017, is amended
25 by adding the following new paragraph:

26 NEW PARAGRAPH. *0d.* For a housing project located in a
27 small city that meets program requirements under subsection 1,
28 paragraph "*a*", development at a greenfield site.

29 Sec. 7. Section 15.353, subsection 2, paragraph d,
30 subparagraph (2), subparagraph division (c), Code 2017, is
31 amended to read as follows:

32 (c) The demand for projects applying under this paragraph
33 "*d*" compared to the demand for projects applying under
34 paragraphs "*a*" through "*e*" "*0d*".

35 Sec. 8. Section 15.354, subsection 4, paragraph c, Code

1 2017, is amended to read as follows:

2 *c.* (1) The authority shall issue tax incentives under the
3 program on a first-come, first-served basis until the maximum
4 amount of tax incentives allocated pursuant to section 15.119,
5 subsection 2, is reached. The authority shall maintain a list
6 of registered housing projects under the program so that if
7 the maximum aggregate amount of tax incentives is reached in
8 a given fiscal year, registered housing projects that were
9 completed but for which tax incentives were not issued shall
10 be placed on a wait list in the order the registered housing
11 projects were registered and shall be given priority for
12 receiving tax incentives in succeeding fiscal years.

13 (2) The authority shall administer allocations reserved for
14 qualified housing projects in small cities separately from the
15 general allocation in subparagraph (1). The authority shall
16 issue tax incentives for small cities under the program on a
17 first-come, first-served basis until the maximum amount of the
18 allocation reserved for small cities under section 15.119,
19 subsection 2, paragraph "g", is reached. The authority shall
20 maintain a list of registered housing projects in small cities
21 under the program so that if the maximum aggregate amount
22 of tax incentives reserved for small cities is reached in a
23 given fiscal year, such registered housing projects that were
24 completed but for which tax incentives were not issued shall
25 be placed on a wait list in the order the registered housing
26 projects were registered and shall be given priority for
27 receiving tax incentives in succeeding fiscal years. If the
28 maximum aggregate amount of tax incentives reserved for small
29 cities is not reached in a given fiscal year, the authority may
30 issue tax incentives reserved under this subparagraph (2) to
31 other housing projects registered under subsection 2.

32 Sec. 9. Section 15.355, subsection 3, paragraph a, Code
33 2017, is amended to read as follows:

34 *a.* A housing business may claim a tax credit in an amount
35 not to exceed the following:

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1 For the fiscal period beginning July 1, 2017, and ending
2 June 30, 2022, the bill requires reductions in the authority's
3 allowable allocations to the high quality jobs program
4 under the circumstances described in the bill relating to
5 the increase in workforce housing tax incentive program tax
6 credits.