

Senate File 598 - Introduced

SENATE FILE 598
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 321)
(SUCCESSOR TO SSB 1156)

(COMPANION TO HF 339 BY
COMMITTEE ON WAYS AND MEANS)

A BILL FOR

1 An Act relating to certain tax credits awarded by the economic
2 development authority for equity investments in qualifying
3 businesses or innovation funds and including effective date
4 provisions.

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

1 Section 1. Section 15.119, subsection 2, paragraphs d and e,
2 Code 2019, are amended to read as follows:

3 d. The tax credits for investments in qualifying businesses
4 issued pursuant to [section 15E.43](#). In allocating tax credits
5 pursuant to [this subsection](#), the authority shall allocate at
6 least two million and not more than four million dollars for
7 purposes of this paragraph, unless the authority determines
8 that the tax credits awarded will be less than that amount.

9 e. The tax credits for investments in an innovation fund
10 pursuant to [section 15E.52](#). In allocating tax credits pursuant
11 to [this subsection](#), the authority shall allocate at least six
12 million and not more than eight million dollars for purposes of
13 this paragraph, unless the authority determines that the tax
14 credits awarded will be less than that amount.

15 Sec. 2. Section 15.119, Code 2019, is amended by adding the
16 following new subsection:

17 NEW SUBSECTION. 2A. On or before June 30 of each year,
18 the authority shall determine the amount of tax credits that
19 shall be issued pursuant to sections 15E.43 and 15E.52 for
20 the following fiscal year. In allocating the amount of tax
21 credits authorized pursuant to subsection 1 among the programs
22 specified in subsection 2, the aggregate amount allocated by
23 the authority for purposes of subsection 2, paragraphs "d" and
24 "e", shall not exceed ten million dollars.

25 Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate
26 importance, takes effect upon enactment.

27 EXPLANATION

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

30 This bill relates to certain tax credits awarded by the
31 economic development authority for equity investments in a
32 qualifying business or innovation fund.

33 The bill directs the economic development authority to
34 determine on or before June 30 of each year the amount of tax
35 credits that will be issued for the following fiscal year

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1 for equity investments in qualifying businesses pursuant to
2 Code section 15E.43 and in innovation funds pursuant to Code
3 section 15E.52. The bill caps the aggregate amount of these
4 tax credits at \$10 million.

5 The bill takes effect upon enactment.