

**Senate File 606 - Introduced**

SENATE FILE 606

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 103)

**A BILL FOR**

1 An Act relating to the transfer of investment tax credits  
2 issued to housing businesses under the enterprise zone  
3 program, and including effective date and retroactive  
4 applicability provisions.

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

1 Section 1. 2014 Iowa Acts, chapter 1130, section 27, is  
2 amended to read as follows:

3 SEC. 27. INVESTMENT TAX CREDITS ISSUED TO ELIGIBLE  
4 HOUSING BUSINESSES UNDER THE ENTERPRISE ZONE PROGRAM —  
5 TRANSFERABILITY. Notwithstanding the requirement in section  
6 15E.193B, subsection 8, Code 2014, that not more than three  
7 million dollars worth of tax credits for housing developments  
8 located in a brownfield site or a blighted area shall be  
9 eligible for transfer in a calendar year unless the eligible  
10 housing business is also eligible for low-income housing tax  
11 credits authorized under section 42 of the Internal Revenue  
12 Code, and notwithstanding the requirement in section 15E.193B,  
13 subsection 8, Code 2014, that the economic development  
14 authority shall not approve more than one million five hundred  
15 thousand dollars in tax credit certificates for transfer to  
16 any one eligible housing business located on a brownfield  
17 site or in a blighted area in a calendar year, all investment  
18 tax credits determined under [section 15E.193B, subsection 6,](#)  
19 [paragraph "a",](#) Code 2014, for housing developments located on  
20 a brownfield site or in a blighted area may be approved by  
21 the economic development authority for transfer in calendar  
22 year 2014, or any subsequent calendar year, provided the  
23 eligible housing business was awarded the investment tax credit  
24 before the effective date of this section of this division of  
25 this Act and notifies the economic development authority, in  
26 writing, before July 1, 2014, of its intent to transfer such  
27 tax credits, or provided the eligible housing business was  
28 awarded the investment tax credit before July 1, 2015, for a  
29 housing development located in a blighted area and in a county  
30 with a total population of less than one hundred five thousand  
31 as determined by the most recent federal decennial census, and  
32 submits a written request to the economic development authority  
33 before June 1, 2019, for approval to transfer such tax credits  
34 and provided the eligible housing business and the related  
35 housing development meet all other applicable requirements

1 under [section 15E.193B, Code 2014](#). Notwithstanding any other  
2 provision of law to the contrary, a tax credit transferred  
3 pursuant to this section shall not be claimed by a transferee  
4 prior to January 1, 2016.

5 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate  
6 importance, takes effect upon enactment.

7 Sec. 3. RETROACTIVE APPLICABILITY. This Act applies  
8 retroactively to May 30, 2014.

9 EXPLANATION

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

12 This bill relates to the transfer of investment tax credits  
13 issued to housing businesses under the enterprise zone program.

14 Under current law, the economic development authority  
15 can approve a transfer of an investment tax credit awarded  
16 to a housing business under the enterprise zone program if  
17 an eligible business was awarded the tax credit before May  
18 30, 2014, and notified the authority before July 1, 2014, of  
19 its intent to transfer the tax credit. The bill allows the  
20 authority to also approve the transfer of tax credits that were  
21 awarded to an eligible housing business before July 1, 2015,  
22 for a housing development in a blighted area in a county with  
23 a population of less than 105,000, if the housing business  
24 submitted a request for approval to the authority before June  
25 1, 2019.

26 The bill is effective upon enactment and is retroactive to  
27 May 30, 2014.