

**Senate Study Bill 1156 - Introduced**

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED ECONOMIC  
DEVELOPMENT AUTHORITY BILL)

**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.