

House Study Bill 270 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON WAYS
AND MEANS BILL BY CHAIRPERSON
KAUFMANN)

A BILL FOR

1 An Act relating to the historic preservation tax credit available
2 against the individual and corporate income taxes, the
3 franchise tax, and the insurance premiums tax.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. 2022 Iowa Acts, chapter 1002, section 53, is
2 amended to read as follows:

3 SEC. 53. PRESERVATION OF EXISTING RIGHTS.

4 1. This Except as provided in subsection 2, this division
5 of this Act is not intended to and shall not limit, modify,
6 or otherwise adversely affect any amount of tax credit issued,
7 awarded, or allowed prior to January 1, 2023, nor shall it limit,
8 modify, or otherwise adversely affect a taxpayer's right to claim
9 or redeem a tax credit issued, awarded, or allowed prior to
10 January 1, 2023, including but not limited to any tax credit
11 carryforward amount.

12 2. The section of this division of this Act amending the
13 historic preservation tax credit is not intended to and shall
14 not limit, modify, or otherwise adversely affect any amount of
15 the tax credit issued, awarded, or allowed prior to July 1,
16 2023, nor shall it limit, modify, or otherwise adversely affect
17 a taxpayer's right to claim or redeem the tax credit issued,
18 awarded, or allowed prior to July 1, 2023, including but not
19 limited to any tax credit carryforward amount.

20 EXPLANATION

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

23 During the 2022 legislative session, House File 2317 was
24 enacted which gradually reduced the refundability of the historic
25 preservation tax credit commencing with the tax year beginning
26 January 1, 2023, until 75 percent of the credit in excess of
27 tax liability is refundable for tax years beginning on or after
28 January 1, 2027. Previously, the tax credit was 100 percent
29 refundable. House File 2317 also enacted a provision preserving
30 existing rights to the tax credit issued, awarded, or allowed
31 prior to January 1, 2023, to reduce the effect House File 2317
32 had on existing tax credits being awarded. This bill expands the
33 applicability of the preservation of existing rights provision
34 from January 1, 2023, to July 1, 2023, to historic preservation
35 tax credits issued, awarded, or allowed prior to July 1, 2023.