

House Study Bill 318 - Introduced

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

A BILL FOR

1 An Act relating to fuel taxation by extending tax credits for
2 E-15 gasoline available against the individual and corporate
3 income taxes.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 422.110, subsection 5, paragraph b, Code
2 2025, is amended to read as follows:

3 b. This subsection is repealed January 1, ~~2026~~ 2028.

4 Sec. 2. Section 422.11Y, subsection 9, Code 2025, is amended
5 to read as follows:

6 9. This section is repealed January 1, ~~2026~~ 2028.

7 Sec. 3. Section 422.33, subsection 11D, paragraph c, Code
8 2025, is amended to read as follows:

9 c. This subsection is repealed January 1, ~~2026~~ 2028.

10 Sec. 4. 2011 Iowa Acts, chapter 113, section 37, as amended
11 by 2016 Iowa Acts, chapter 1106, section 3, and 2022 Iowa Acts,
12 chapter 1067, section 57, is amended to read as follows:

13 SEC. 37. TAX CREDIT AVAILABILITY. For a retail dealer who
14 may claim an E-15 plus gasoline promotion tax credit under
15 section 422.11Y or 422.33, subsection 11D, as enacted in this
16 Act and amended in subsequent Acts, in calendar year ~~2025~~ 2027,
17 and whose tax year ends prior to December 31, ~~2025~~ 2027, the
18 retail dealer may continue to claim the tax credit in the retail
19 dealer's following tax year. In that case, the tax credit shall
20 be calculated in the same manner as provided in section 422.11Y
21 or 422.33, subsection 11D, as enacted in this Act and amended
22 in subsequent Acts, for the remaining period beginning on the
23 first day of the retail dealer's new tax year until December 31,
24 ~~2025~~ 2027. For that remaining period, the tax credit shall be
25 calculated in the same manner as a retail dealer whose tax year
26 began on the previous January 1 and who is calculating the tax
27 credit on December 31, ~~2025~~ 2027.

28 EXPLANATION

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

31 This bill relates to fuel taxation by extending tax credits
32 for E-15 gasoline.

33 The bill extends the eligibility of a retail dealer to claim
34 the E-15 plus gasoline promotion tax credit from January 1, 2026,
35 to January 1, 2028, for purposes of the individual income and

1 corporate income taxes. The bill extends the E-15 plus gasoline
2 promotion tax credit from January 1, 2026, to January 1, 2028,
3 for purposes of the corporate income tax.

4 As a result of extending the E-15 plus gasoline promotion tax
5 credit, the bill also extends the ability of a retail dealer
6 to claim the E-85 promotion tax credit to January 1, 2028, even
7 if the retail dealer claims an E-15 plus gasoline promotion tax
8 credit during the same year.

9 The bill amends the Iowa Acts to ensure the availability of
10 the E-15 plus gasoline promotion tax credit for an entire tax
11 year, for those retail dealers whose tax year does not align with
12 the repeal date of the tax credit.

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