

**Senate File 2279 - Introduced**

SENATE FILE 2279

BY WARME

**A BILL FOR**

1 An Act creating a maternity group home tax credit available  
2 against the individual, corporate, franchise, insurance  
3 premium, and moneys and credits taxes, and including  
4 applicability provisions.

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

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1 Section 1. NEW SECTION. **135E.1 Maternity group home tax**  
2 **credit.**

3 1. As used in this section unless the context otherwise  
4 requires:

5 a. "Department" means the department of revenue.

6 b. "Donation" means a voluntary cash or noncash contribution  
7 to a maternity group home made by the taxpayer during the tax  
8 year.

9 c. "Maternity group home" means the same as defined in  
10 section 414.27.

11 2. For tax years beginning on or after January 1, 2026, a tax  
12 credit shall be allowed against the taxes imposed in chapter 422,  
13 subchapters II, III, and V, and in chapter 432, and against the  
14 moneys and credits tax imposed in section 533.329, equal to one  
15 hundred percent of a person's donation to a maternity group home.  
16 An individual may claim a tax credit under this section of a  
17 partnership, limited liability company, S corporation, estate, or  
18 trust electing to have income taxed directly to the individual.  
19 The amount claimed by the individual shall be based upon the pro  
20 rata share of the individual's earnings from the partnership,  
21 limited liability company, S corporation, estate, or trust.

22 3. The amount of the donation for which the tax credit is  
23 claimed shall not be deductible in determining taxable income for  
24 state income tax purposes.

25 4. Any tax credit in excess of the person's tax liability  
26 shall not be credited to the tax liability for the following tax  
27 year. A tax credit shall not be carried back to a tax year prior  
28 to the tax year in which the person claims the tax credit, and a  
29 tax credit shall not be transferable.

30 5. a. The cumulative value of the amount of tax credits  
31 authorized pursuant to this section shall not annually exceed  
32 three million five hundred thousand dollars.

33 b. The maximum value of tax credits granted for donations  
34 per an organization operating a maternity group home shall not  
35 annually exceed five hundred thousand dollars.

1 6. a. A taxpayer must submit an application to the  
2 department in a manner approved by the department for each  
3 separate and distinct donation. The application must be approved  
4 by the department in order to claim the tax credit. The  
5 application must be filed within six months following the tax  
6 year the donation was made.

7 b. The department shall accept and approve applications on  
8 a first-come, first-served basis until the maximum value amount  
9 of tax credits that may be claimed pursuant to subsection 5 is  
10 reached. If for a tax year the aggregate amount of tax credits  
11 applied for exceeds the maximum amount specified in subsection  
12 5, paragraph "a" or "b", the department shall establish a wait  
13 list when applicable. Valid applications filed by the taxpayer  
14 within six months following the tax year of the donation but  
15 not approved by the department shall be placed on a wait  
16 list in the order the applications were received and those  
17 applicants shall be given priority for having their applications  
18 approved in succeeding years. Placement on a wait list pursuant  
19 to this paragraph shall not constitute a promise binding the  
20 state. The availability of a tax credit and approval of a  
21 tax credit application pursuant to this section in a future  
22 year is contingent upon the availability of tax credits in that  
23 particular year.

24 7. The department may adopt rules pursuant to chapter 17A to  
25 administer this section.

26 Sec. 2. NEW SECTION. **422.10D Maternity group home tax**  
27 **credit.**

28 The tax imposed under this subchapter, less the credits  
29 allowed under section 422.12, shall be reduced by a maternity  
30 group home tax credit authorized pursuant to section 135E.1.

31 Sec. 3. Section 422.33, Code 2026, is amended by adding the  
32 following new subsection:

33 NEW SUBSECTION. 11. The tax imposed under this subchapter  
34 shall be reduced by a maternity group home tax credit authorized  
35 pursuant to section 135E.1.

1 Sec. 4. Section 422.60, Code 2026, is amended by adding the  
2 following new subsection:

3 NEW SUBSECTION. 16. The tax imposed under this subchapter  
4 shall be reduced by a maternity group home tax credit authorized  
5 pursuant to section 135E.1.

6 Sec. 5. NEW SECTION. **432.12P Maternity group home tax**  
7 **credit.**

8 The tax imposed under this chapter shall be reduced by a  
9 maternity group home tax credit authorized pursuant to section  
10 135E.1.

11 Sec. 6. Section 533.329, subsection 2, Code 2026, is amended  
12 by adding the following new paragraph:

13 NEW PARAGRAPH. m. The moneys and credits tax imposed under  
14 this section shall be reduced by a maternity group home tax  
15 credit allowed under section 135E.1.

16 Sec. 7. APPLICABILITY. This Act applies to tax years  
17 beginning on or after January 1, 2026.

18 **EXPLANATION**

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

21 This bill creates a maternity group home tax credit available  
22 against the individual, corporate, franchise, insurance premium,  
23 and moneys and credits taxes.

24 The bill defines "maternity group home" to mean a  
25 community-based residential home that provides room and board,  
26 personal care, supervision, training, support, and education in  
27 a family environment for women who are either pregnant or who  
28 have given birth within the preceding 24 months and live with  
29 their children, and includes overnight room accommodations and  
30 administrative and office space for those persons who provide  
31 such services.

32 The amount of the credit shall equal 100 percent of a person's  
33 donation to a maternity group home.

34 The bill specifies that the amount of the donation for which  
35 the tax credit is claimed shall not be deductible for state

1 income tax purposes.

2 A credit provided in the bill in excess of tax liability  
3 is not refundable and shall not be credited to a person's tax  
4 liability in future tax years. The tax credit shall not be  
5 carried back to a tax year prior to the tax year in which  
6 the person makes the donation, and the tax credit is also not  
7 transferable.

8 The aggregate amount of tax credits authorized pursuant to the  
9 bill shall not annually exceed \$3.5 million.

10 The maximum amount of tax credits granted for donations to an  
11 organization operating a maternity group home shall not annually  
12 exceed \$500,000.

13 The bill requires the department of revenue to administer the  
14 credit and to approve applications on a first-come, first-served  
15 basis until the maximum amount of tax credits authorized for the  
16 year has been reached. A taxpayer must submit an application  
17 to the department for each separate and distinct donation within  
18 six months following the tax year of the donation in such a  
19 manner approved by the department. The bill also requires the  
20 department to develop a wait list in the order the applications  
21 are received if applications for the credit exceed the annual  
22 maximum amounts authorized.

23 The department may adopt rules to administer the bill.

24 The bill applies to tax years beginning on or after January 1,  
25 2026.