

House File 2785 - Introduced

HOUSE FILE 2785

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 688)

A BILL FOR

1 An Act extending the biodiesel blended fuel tax credit.

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

1 Section 1. Section 422.11P, subsection 8, Code 2026, is
2 amended to read as follows:

3 8. **This section** is repealed January 1, ~~2028~~ 2033.

4 Sec. 2. Section 422.33, subsection 11C, paragraph c, Code
5 2026, is amended to read as follows:

6 c. **This subsection** is repealed January 1, ~~2028~~ 2033.

7 Sec. 3. 2011 Iowa Acts, chapter 113, section 31, as amended
8 by 2016 Iowa Acts, chapter 1106, section 10, and 2022 Iowa
9 Acts, chapter 1067, section 52, is amended to read as follows:

10 SEC. 31. TAX CREDIT AVAILABILITY. For a retail dealer
11 who may claim a biodiesel blended fuel promotion tax credit
12 under **section 422.11P** or **422.33, subsection 11C**, as amended
13 in this Act and amended in subsequent Acts, in calendar year
14 ~~2027~~ 2032, and whose tax year ends prior to December 31, ~~2027~~
15 2032, the retail dealer may continue to claim the tax credit in
16 the retail dealer's following tax year. In that case, the tax
17 credit shall be calculated in the same manner as provided in
18 section 422.11P or **422.33, subsection 11C**, as amended in this
19 Act and amended in subsequent Acts, for the remaining period
20 beginning on the first day of the retail dealer's new tax year
21 until December 31, ~~2027~~ 2032. For that remaining period, the
22 tax credit shall be calculated in the same manner as a retail
23 dealer whose tax year began on the previous January 1 and who
24 is calculating the tax credit on December 31, ~~2027~~ 2032.

25

EXPLANATION

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

28 This bill extends the repeal of the biodiesel blended fuel
29 tax credit for retail dealers from January 1, 2028, to January
30 1, 2033, for purposes of the individual and corporate income
31 taxes.

32 The bill amends the Iowa Acts to ensure the availability of
33 the biodiesel blended fuel tax credit for an entire tax year
34 for those retail dealers whose tax year does not align with the
35 repeal date of the tax credit.