

the department of natural resources and the department of agriculture and land stewardship to remove all whitetail from enclosed land as provided in section 170.5, even if all whitetail are not removed.

Sec. 19. Section 484B.3, Code 2003, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The chapter does not apply to keeping farm deer as defined in section 170.1.

Sec. 20. Section 484B.12, Code 2003, is amended to read as follows:
484B.12 HEALTH REQUIREMENTS — UNGULATES.

All ungulates which are purchased, propagated, confined, released, or sold by a licensed hunting preserve shall be free of diseases considered significant for wildlife, poultry, or livestock. The department of agriculture and land stewardship shall provide for the regulation of farm deer as provided in chapter 170.

Sec. 21. Section 717.1, subsection 2, Code 2003, is amended to read as follows:

2. "Livestock" means an animal belonging to the bovine, caprine, equine, ovine, or porcine species, ostriches, rheas, emus; farm deer, as defined in section ~~481A.1~~ 170.1; or poultry.

Sec. 22. HUNTING PRESERVES AND GAME BREEDERS — AUTOMATIC CERTIFICATION. Any farm deer kept on land which is owned by a person licensed pursuant to section 484B.5 or 481A.61 and which is enclosed with a fence on the effective date of this Act shall be deemed to comply with construction requirements of section 170.4 and shall be automatically certified by the department of agriculture and land stewardship without submitting an application. The landowner is not required to notify the department of natural resources concerning removal of whitetail as otherwise required pursuant to section 170.5.²

Sec. 23. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved May 23, 2003

CHAPTER 150

COOPERATIVES — TAX CREDITS AND CREDIT REFUNDS

H.F. 681

AN ACT relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 15.333, subsection 1, unnumbered paragraph 1, Code 2003, is amended to read as follows:

An eligible business may claim a corporate tax credit up to a maximum of ten percent of the new investment which is directly related to new jobs created by the location or expansion of an eligible business under the program. Any credit in excess of the tax liability for the tax year

² See chapter 179, §82 herein

may be credited to the tax liability for the following seven years or until depleted, whichever occurs earlier. Subject to prior approval by the department of economic development in consultation with the department of revenue and finance, an eligible business whose project primarily involves the production of value-added agricultural products may elect to receive a refund of all or a portion of an unused tax credit. For purposes of this section, an eligible business includes a cooperative described in section 521 of the Internal Revenue Code which is not required to file an Iowa corporate income tax return, ~~and whose project primarily involves the production of ethanol.~~ The refund may be used against a tax liability imposed under chapter 422, division II, III, or V. If the business is a partnership, S corporation, limited liability company, cooperative organized under chapter 501 and filing as a partnership for federal tax purposes, or estate or trust electing to have the income taxed directly to the individual, an individual may claim the tax credit allowed. The amount claimed by the individual shall be based upon the pro rata share of the individual's earnings of the partnership, S corporation, limited liability company, cooperative organized under chapter 501 and filing as a partnership for federal tax purposes, or estate or trust.

Sec. 2. Section 15.333, subsection 2, Code 2003, is amended to read as follows:

2. An eligible business whose project primarily involves the production of value-added agricultural products, that elects to receive a refund of all or a portion of an unused tax credit, shall apply to the department of economic development for tax credit certificates. An eligible business whose project primarily involves the production of value-added agricultural products shall not claim a tax credit under this section unless a tax credit certificate issued by the department of economic development is attached to the taxpayer's tax return for the tax year for which the tax credit is claimed. For purposes of this section, an eligible business includes a cooperative described in section 521 of the Internal Revenue Code which is not required to file an Iowa corporate income tax return, ~~and whose project primarily involves the production of ethanol.~~ For purposes of this section, an eligible business also includes a cooperative described in section 521 of the Internal Revenue Code which is required to file an Iowa corporate income tax return ~~and whose project primarily involves the production of ethanol.~~ Such cooperative may elect to transfer all or a portion of its tax credit to its members. The amount of tax credit transferred and claimed by a member shall be based upon the pro rata share of the member's earnings of the cooperative.

A tax credit certificate shall not be valid until the tax year following the date of the project completion. A tax credit certificate shall contain the taxpayer's name, address, tax identification number, the date of project completion, the amount of the tax credit, and other information required by the department of revenue and finance. The department of economic development shall not issue tax credit certificates which total more than four million dollars during a fiscal year. If the department receives applications for tax credit certificates in excess of four million dollars, the applicants shall receive certificates for a prorated amount. The tax credit certificates shall not be transferred except as provided in this subsection for a cooperative described in section 521 of the Internal Revenue Code which is required to file an Iowa corporate income tax return ~~and whose project primarily involves the production of ethanol.~~ For a cooperative described in section 521 of the Internal Revenue Code, the department of economic development shall require that the cooperative submit a list of its members and the share of each member's interest in the cooperative. The department shall issue a tax credit certificate to each member contained on the submitted list.

Sec. 3. APPLICABILITY DATE. This Act applies to tax years beginning on or after July 1, 2003.

Approved May 23, 2003