

CHAPTER 129

STATE GOVERNMENT FINANCE INITIATIVES

H.F. 837

AN ACT relating to state government financial matters concerning charter agencies, the state appeal board, and reinvention initiatives of the department of management, and making appropriations.

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

Section 1. Section 7J.1, subsection 3, paragraph d, Code 2005, is amended to read as follows:

d. For the fiscal period beginning July 1, 2003, and ending June 30, ~~2005~~ 2006, a charter agency is not subject to a uniform reduction ordered by the governor in accordance with section 8.31.

Sec. 2. Section 7J.1, Code 2005, is amended by adding the following new subsection:
NEW SUBSECTION. 8A. APPEAL BOARD FLEXIBILITY. Notwithstanding any provision of law to the contrary, a charter agency shall not be required to obtain state appeal board approval for payment of prior year claims from funds other than the general fund of the state.

Sec. 3. 2004 Iowa Acts, chapter 1175, section 213, is amended to read as follows:
SEC. 213. STATE APPEAL BOARD STREAMLINING. For the fiscal year period beginning July 1, 2004, and ending June 30, 2007, the state appeal board may pay out of any moneys in the state treasury not otherwise appropriated for costs associated with streamlining and improving the state appeal board process.

Sec. 4. 2004 Iowa Acts, chapter 1175, section 272, is amended to read as follows:
SEC. 272. Notwithstanding section 8.33, moneys appropriated in 2003 Iowa Acts, chapter 178, section 62, and 2003 Iowa Acts, chapter 181, section 11, subsection 3, which remain unencumbered or unobligated at the close of the fiscal year beginning July 1, 2003, shall not revert but shall remain available for expenditure for the purposes for which they were appropriated for the fiscal year period beginning July 1, 2004, and ending June 30, 2007.

Approved May 12, 2005

CHAPTER 130

ENTERPRISE ZONES — ELIGIBLE HOUSING BUSINESSES

H.F. 857

AN ACT relating to eligible housing businesses under the enterprise zone program.

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

Section 1. Section 15E.193B, subsection 8, unnumbered paragraph 1, Code 2005, is amended to read as follows:

The amount of the tax credits determined pursuant to subsection 6, paragraph “a”, for each project shall be approved by the department of economic development. The department shall

utilize the financial information required to be provided under subsection 5, paragraph "e", to determine the tax credits allowed for each project. In determining the amount of tax credits to be allowed for a project, the department shall not include the portion of the project cost financed through federal, state, and local government tax credits, grants, and forgivable loans. Upon approving the amount of the tax credit, the department of economic development shall issue a tax credit certificate to the eligible housing business. An eligible housing business or transferee shall not claim the tax credit unless a tax credit certificate issued by the department of economic development is attached to the taxpayer's return for the tax year for which the tax credit is claimed. The tax credit certificate shall contain the taxpayer's name, address, tax identification number, the amount of the tax credit, and other information required by the department of revenue. The tax credit certificate shall be transferable if the housing development is located in a brownfield site as defined in section 15.291, if the housing development is located in a blighted area as defined in section 403.17, or if low-income housing tax credits authorized under section 42 of the Internal Revenue Code are used to assist in the financing of the housing development. Not more than three million dollars worth of tax credits for housing developments that are located in a brownfield site as defined in section 15.291 or housing developments located in a blighted area as defined in section 403.17 shall be transferred in one calendar year. The three million dollar annual limit does not apply to tax credits awarded to an eligible housing business having low-income housing tax credits authorized under section 42 of the Internal Revenue Code to assist in the financing of the housing development. The department may approve an application for tax credit certificates for transfer from an eligible housing business located in a brownfield site as defined in section 15.291 or in a blighted area as defined in section 403.17 that would result in the issuance of more than three million dollars of tax credit certificates for transfer provided the department, through negotiation with the eligible business, allocates those tax credit certificates for transfer over more than one calendar year. The department shall not issue more than one million five hundred thousand dollars in tax credit certificates for transfer to any one eligible housing business located in a brownfield site as defined in section 15.291 or in a blighted area as defined in section 403.17 in a calendar year. If three million dollars in tax credit certificates for transfer have not been issued at the end of a calendar year, the remaining tax credit certificates for transfer may be issued in advance to an eligible housing business scheduled to receive a tax credit certificate for transfer in a later calendar year. Any time the department issues a tax credit certificate for transfer which has not been allocated at the end of a calendar year, the department may prorate the remaining certificates to more than one eligible applicant. If the entire three million dollars of tax credit certificates for transfer is not issued in a given calendar year, the remaining amount may be carried over to a succeeding calendar year. Tax credit certificates issued under this chapter may be transferred to any person or entity. Within ninety days of transfer, the transferee must submit the transferred tax credit certificate to the department of economic development along with a statement containing the transferee's name, tax identification number, and address, and the denomination that each replacement tax credit certificate is to carry and any other information required by the department of revenue. Within thirty days of receiving the transferred tax credit certificate and the transferee's statement, the department of economic development shall issue one or more replacement tax credit certificates to the transferee. Each replacement certificate must contain the information required to receive the original certificate and must have the same expiration date that appeared in the transferred tax credit certificate. Tax credit certificate amounts of less than the minimum amount established by rule of the department of economic development shall not be transferable. A tax credit shall not be claimed by a transferee under subsection 6, paragraph "a", until a replacement tax credit certificate identifying the transferee as the proper holder has been issued.

Sec. 2. APPLICABILITY. This Act shall apply to transfers of tax credit certificates for projects that begin on or after July 1, 2005.

Approved May 12, 2005