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## FISCAL TOPICS

Fiscal Services Division

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## Tax Credit: Hoover Presidential Library Tax Credit

The Hoover Presidential Library Tax Credit is equal to 25.0% of the qualified donation made to the [Hoover Presidential Foundation](#) for the Hoover Presidential Library and Museum Renovation Project Fund. The aggregate amount of tax credits available is \$5.0 million, and the credits are available for donations made between July 1, 2021, and December 31, 2023. The maximum tax credit amount any taxpayer may receive is \$250,000 (5.0% of the aggregate amount of tax credits granted). A total of \$500,000 is reserved for taxpayers donating no more than \$30,000. Tax credits may be redeemed against individual and corporate income tax, as well as the bank franchise tax, insurance premium tax, and credit union moneys and credits tax. If fully utilized, the \$5.0 million in available tax credits would require \$20.0 million in donations to the Foundation.

Oversight of the tax credit is a function of the Economic Development Authority (tax certificate award) and Department of Revenue tax return auditing. The tax credit is not refundable or transferable, but any unused portion may be carried forward for up to five tax years.

### Tax Credit Background

- Enabling Legislation: 2008 Iowa Acts, chapter [1191](#) (Standing Appropriations Act of 2008)
- Iowa Code Citations:
  - [Section 15E.364](#) — Program Description
  - [Section 422.11T](#) — Individual Income Tax
  - [Section 422.33\(31\)](#) — Corporate Income Tax
  - [Section 422.60\(14\)](#) — Bank Franchise Tax
  - [Section 432.12N](#) — Insurance Premium Tax
  - [Section 533.329\(2\)\(L\)](#) — Credit Union Moneys and Credits Tax
- Administrative State Agency: Economic Development Authority
- Sunset Date: January 1, 2024
- Transferable: No
- Refundable: No
- Carryforward: Unredeemed credits may be carried forward for up to five tax years
- Legislative Tax Expenditure Committee Review Year: None

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### More Information

Department of Revenue Contingent Liabilities Report: [tax.iowa.gov/report-category/contingent-liabilities](http://tax.iowa.gov/report-category/contingent-liabilities)

Department of Revenue Tax Credits Users' Manual:

[tax.iowa.gov/reports/tax-credits-users-manual](http://tax.iowa.gov/reports/tax-credits-users-manual)

Legislative Services Agency Individual Income Tax Guide: [www.legis.iowa.gov/docs/publications/LG/711304.pdf](http://www.legis.iowa.gov/docs/publications/LG/711304.pdf)

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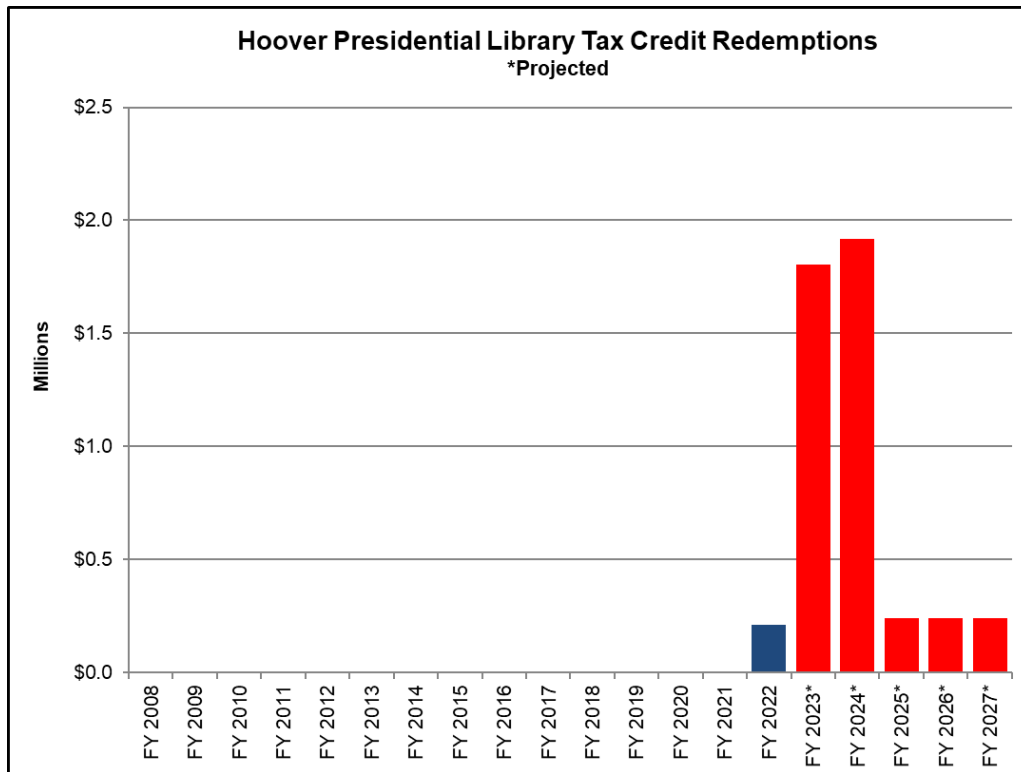
### Tax Credit Review, Usage, and Future Liability

The Hoover Presidential Library Tax Credit was created in 2021, and the new credit is not included in the list of tax credits that must be reviewed every five years by the Department of Revenue. A search of the Economic Development Authority website reveals no information about the credit other than references to the adoption of rules for administration of the credit. For these reasons, little information on the use of the credit is available at this time. Table 1 of the [October 2022 Contingent Liabilities Report](#) indicates that a total of \$435,000 of the available \$5.0 million in tax credits had been awarded as of the time of that report.

On October 7, 2022, Governor Kim Reynolds [announced](#) that the Hoover Presidential Library Foundation was awarded a \$5.0 million grant from the [Destination Iowa](#) program to be used to overhaul and enlarge the facility located in West Branch, Iowa.

The Department of Revenue reports on the annual credit usage for the Hoover Presidential Library Tax Credit in its periodic [Contingent Liabilities Report](#). Based on Table 9 of the October 2022 report, the following table and graph provide credit redemption history and projections for the Hoover Presidential Library Tax Credit. The blue bar on the graph indicates actual credit redemptions, while the red bars are Department of Revenue projections of future redemptions. Future redemptions may include not only new donations but also any carryforward credits from previous years.

<b>Hoover Presidential Library Tax Credit History</b>			
* Projected			
Fiscal Year	Tax Credit Redemptions	Fiscal Year	Tax Credit Redemptions
FY 2008	\$ 0	FY 2018	\$ 0
FY 2009	0	FY 2019	0
FY 2010	0	FY 2020	0
FY 2011	0	FY 2021	0
FY 2012	0	FY 2022	213,431
FY 2013	0	FY 2023*	1,804,699
FY 2014	0	FY 2024*	1,918,356
FY 2015	0	FY 2025*	240,856
FY 2016	0	FY 2026*	240,856
FY 2017	0	FY 2027*	240,856



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