

JAN 25 2005  
ECONOMIC GROWTH

HOUSE FILE 2131  
BY DANDEKAR, STRUYK, HUSER,  
and J.K. VAN FOSSEN

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to historic preservation and cultural and  
2 entertainment district tax credits.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2131

1 Section 1. Section 404A.4, subsection 4, Code Supplement  
2 2005, is amended to read as follows:

3 4. The total amount of tax credits that may be approved  
4 for a fiscal year under this chapter shall not exceed two  
5 million four hundred thousand dollars. ~~For~~ However, for the  
6 fiscal period beginning July 1, 2005 2006, and ending June 30,  
7 2015 2016, an additional four seventeen million six hundred  
8 thousand dollars in tax credits may be approved each fiscal  
9 year. During that fiscal period, fifteen million dollars of  
10 tax credits may be approved each fiscal year for purposes of  
11 projects located in cultural and entertainment districts  
12 certified pursuant to section 303.3B. Any of the additional  
13 tax credits allocated for projects located in certified  
14 cultural and entertainment districts that are not approved  
15 during a fiscal year shall be applied to reserved tax credits  
16 issued in accordance with section 404A.3 in order of original  
17 reservation. The department of cultural affairs shall  
18 establish by rule the procedures for the application, review,  
19 selection, and awarding of certifications of completion. The  
20 departments of economic development, cultural affairs, and  
21 revenue shall each adopt rules to jointly administer this  
22 subsection and shall provide by rule for the method to be used  
23 to determine for which fiscal year the tax credits are  
24 available. With-the-exception-of-tax-credits-issued-pursuant  
25 to-contracts-entered-into-prior-to-July-17-20057-tax-credits  
26 shall-not-be-reserved-for-more-than-five-years.

27 EXPLANATION

28 This bill relates to historic preservation and cultural and  
29 entertainment district tax credits.

30 Currently, \$2.4 million of historic preservation and  
31 cultural and entertainment district tax credits may be  
32 approved in a fiscal year, and, for the fiscal period  
33 beginning July 1, 2005, and ending June 30, 2015, an  
34 additional \$4 million of tax credits may be approved each  
35 fiscal year for purposes of projects located in certified

1 cultural and entertainment districts.

2 The bill eliminates the additional \$4 million of tax  
3 credits and instead provides that, for the fiscal period  
4 beginning July 1, 2006, and ending June 30, 2016, \$17 million  
5 of additional tax credits may be approved each fiscal year, of  
6 which \$15 million of tax credits may be approved each fiscal  
7 year for purposes of projects located in certified cultural  
8 and entertainment districts.

9 The bill eliminates a restriction that, with the exception  
10 of tax credits issued pursuant to contracts entered into prior  
11 to July 1, 2005, tax credits shall not be reserved for more  
12 than five years.

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