

### working with business to locate, modernize and expand

As businesses change and grow, flexible programs are needed to help companies meet the demand of providing valued-added goods on a world-economy scale. The Iowa Economic Development Authority (IEDA) offers assistance to companies to promote growth and profitability and create quality job opportunities for Iowans.

The High Quality Jobs program provides qualifying businesses tax credits to off-set some of the costs incurred to locate, expand or modernize an Iowa facility. To qualify for this very flexible assistance package that includes tax credits, exemptions and/or refunds, a business must be a non-retail or non-service business and meet certain wage threshold requirements. Visit [iowaeconomicdevelopment.com/business/wagerates.aspx](http://iowaeconomicdevelopment.com/business/wagerates.aspx) to view the requirements for wage thresholds.

### eligibility requirements

- Actual award amounts will be based on the business' level of need; the quality of the jobs; the percentage of created or retained jobs defined as high-quality; and the economic impact of the project.
- Created jobs must pay at least 100 percent of the qualifying wage threshold at the start of the project and 130 percent of the qualifying wage threshold by project completion and through the project maintenance period.
- Retained jobs must pay at least 130 percent of the qualifying wage threshold throughout the project completion and maintenance periods.

- The business must provide a sufficient benefits package to all full time employees that includes at least one of the following:
  - Business pays 80 percent of medical and dental premiums for single coverage plans, OR
  - Business pays 50 percent of medical and dental premiums for family coverage plans, OR
  - Business pays for some level of medical and dental coverage and provides the monetary equivalent value through other employee benefits

### potential tax incentives

The following tax incentives may be available:

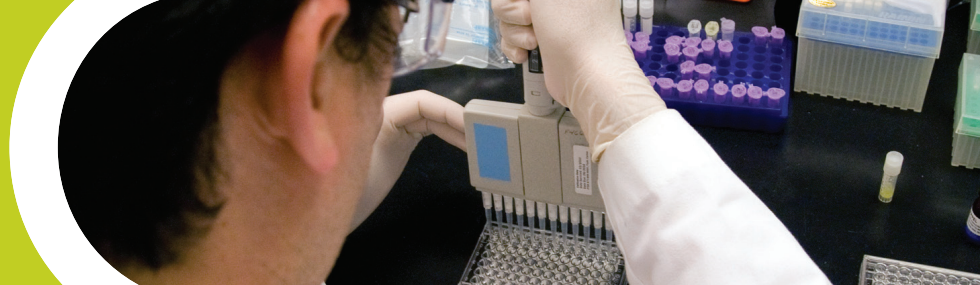
- A local property tax exemption of the value added to the property may be available.
- An investment tax credit equal to a percentage of the qualifying investment, amortized over five years. This tax credit is earned when the corresponding asset is placed in service and can be carried forward for up to seven additional years or until depleted, whichever occurs first.
- A refund of state sales, service or use taxes paid to contractors or subcontractors during construction.
- For distribution center projects, a refund of sales and use taxes paid on racks, shelving and conveyor equipment.
- The state's refundable research activities credit may be increased while the business is participating in the program.

There is a maximum tax incentive award available to a business based on qualifying jobs, wages and investment (see schedule of maximum tax incentives on reverse side).

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schedule of the maximum tax incentive awards available to a business based on qualifying jobs, wages and investment

| Amount of Qualifying Investment | No Jobs Created<br>Modernization or Retention<br>Projects Only  | Number of Jobs Created or Retained with a Qualifying Wage Including Sufficient Employee Benefits Equal to 130% of the County Wage |  |  |   |
|---------------------------------|---|---|--|--|---|
|                                 |   | 1 - 5 Jobs  | 6 - 10 Jobs  | 11 - 15 Jobs   | 16+ Jobs  |
| Less than \$100,000             | Up to 1% ITC  | Up to 2% ITC  | Up to 3% ITC   | Up to 4% ITC   | Up to 5% ITC  |
| \$100,000 - \$499,999           | Up to 1% ITC<br>Sales Tax Refund  | Up to 2% ITC<br>Sales Tax Refund  | Up to 3% ITC<br>Sales Tax Refund   | Up to 4% ITC<br>Sales Tax Refund   | Up to 5% ITC<br>Sales Tax Refund  |
| \$500,000 +                     | Up to 1% ITC<br>Sales Tax Refund<br>Research Activities<br>Tax Credits  | Up to 2% ITC<br>Sales Tax Refund<br>Research Activities<br>Tax Credits  | Up to 3% ITC<br>Sales Tax Refund<br>Research Activities<br>Tax Credits                                 | Up to 4% ITC<br>Sales Tax Refund<br>Research Activities<br>Tax Credits                                 | Up to 5% ITC<br>Sales Tax Refund<br>Research Activities<br>Tax Credits                                  |
| Amount of Qualifying Investment | Number of Jobs Created or Retained with a Qualifying Wage Including Sufficient Employee Benefits Equal to 130% of the County Wage |   |  |  |   |
|                                 | 31 - 40 Jobs  | 41 - 60 Jobs  | 61 - 80 Jobs   | 81 - 100 Jobs  | 101+ Jobs   |
| \$10,000,000 or more            | Up to 6% ITC<br>Sales Tax Refund<br>Research Activities<br>Tax Credits<br>Local Property Tax Exemption                            | Up to 7% ITC<br>Sales Tax Refund<br>Research Activities<br>Tax Credits<br>Local Property Tax Exemption                            | Up to 8% ITC<br>Sales Tax Refund<br>Research Activities<br>Tax Credits<br>Local Property Tax Exemption | Up to 9% ITC<br>Sales Tax Refund<br>Research Activities<br>Tax Credits<br>Local Property Tax Exemption | Up to 10% ITC<br>Sales Tax Refund<br>Research Activities<br>Tax Credits<br>Local Property Tax Exemption |

"Amount of Qualifying Investment" means a capital investment in real property including the purchase price of land, existing buildings and structures; site preparation; improvements to real property; building construction and long-term lease costs. It also includes capital investment in depreciable assets. "ITC" means Investment Tax Credit or Insurance Premium Tax Credit. "Sales Tax Refund" means Sales and Use Tax Refunds or Refundable Corporate Income Tax Credit equal to Sales Taxes Paid by Developer.

Actual award amounts will be based on the business' level of need; the quality of jobs; the percentage of jobs defined as high-quality and the economic impact of the project.

how to apply

IEDA staff welcomes the opportunity to work with companies to determine the most beneficial programs and resources to support each project. Please access the online project review form at [iowaeconomicdevelopment.com/applications/bus\\_dev](http://iowaeconomicdevelopment.com/applications/bus_dev) to get started.

The High Quality Jobs program can be used in combination with other state programs with the exception of Wage-Benefit Tax Credit (awarded by the Department of Revenue) and the Enterprise Zone Program.

learn more

Iowa is a right-to-work state with a superior business climate that offers flexible assistance for qualifying business expansions or relocations. Its low cost of doing business, pro-business government, central geographic location and world class workforce and education systems make Iowa a great place to do business.

Contact the Iowa Economic Development Authority at any time with questions or to discuss your business. Our staff will guide your business through the qualification process.

For more information on this program, contact the Iowa Economic Development Authority (IEDA)  
1.800.245.IOWA +1.515.725.3100 [iowaeconomicdevelopment.com](http://iowaeconomicdevelopment.com)