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 global 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 and direct financial assistance 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 loans, forgivable loans, tax credits, exemptions and/or refunds, eligible businesses must meet certain wage threshold requirements. Visit iowaeconomicdevelopment.com/BusinessDev/WageRequirements 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 120 percent of the qualifying wage threshold by project completion and through the project maintenance period.
- Retained jobs must pay at least 120 percent of the qualifying wage threshold throughout the project completion and maintenance periods.
- A business located in an economically distressed area must pay at least the 100 percent wage threshold throughout the applicable contract period.
- Retail businesses are not eligible to participate in this program.
- The business must provide a sufficient benefits package to all full time employees that includes coverage of a percentage of premiums for medical insurance plans or offering the monetary equivalent value through other employee benefits.
- Specific deductible and premium coverage requirements are based on the companies' U.S. employment.

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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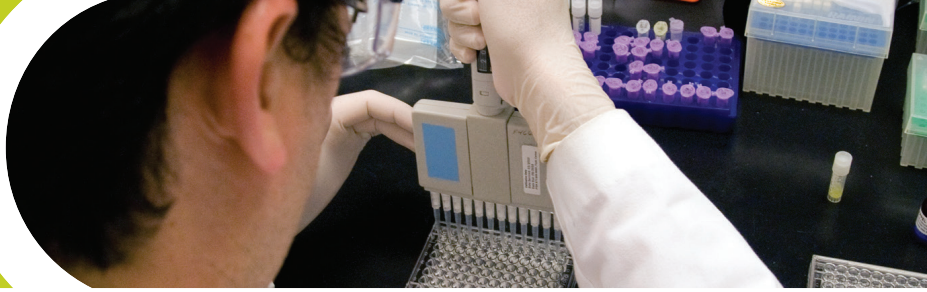

schedule of the maximum tax incentive awards available to a business based on qualifying jobs, wages and investment

Amount of Qualifying Investment	**No Jobs Created** Modernization or Retention Projects Only	Number of Jobs Created or Retained with a Qualifying Wage Including Sufficient Employee Benefits Equal to 120% 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 Sales Tax Refund	Up to 2% ITC Sales Tax Refund	Up to 3% ITC Sales Tax Refund	Up to 4% ITC Sales Tax Refund	Up to 5% ITC Sales Tax Refund
$500,000 +	Up to 1% ITC Sales Tax Refund Research Activities Tax Credits	Up to 2% ITC Sales Tax Refund Research Activities Tax Credits	Up to 3% ITC Sales Tax Refund Research Activities Tax Credits	Up to 4% ITC Sales Tax Refund Research Activities Tax Credits	Up to 5% ITC Sales Tax Refund Research Activities Tax Credits

Amount of Qualifying Investment	Number of Jobs Created or Retained with a Qualifying Wage Including Sufficient Employee Benefits Equal to 120% 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 Sales Tax Refund Research Activities Tax Credits Local Property Tax Exemption	Up to 7% ITC Sales Tax Refund Research Activities Tax Credits Local Property Tax Exemption	Up to 8% ITC Sales Tax Refund Research Activities Tax Credits Local Property Tax Exemption	Up to 9% ITC Sales Tax Refund Research Activities Tax Credits Local Property Tax Exemption	Up to 10% ITC Sales Tax Refund Research Activities Tax Credits 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 questionnaire form at iowaeconomicdevelopment.com/BusinessDev/application to get started.

The High Quality Jobs program can be used in combination with other state programs.

learn more

Iowa is a right-to-work state with a superior business climate that offers flexible assistance for qualifying business projects. Its low cost of doing business, pro-business government, central North American 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. IEDA 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**

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