**How to claim the**

**Iowa Brownfield/Grayfield Redevelopment Tax Credit**

In order to receive an Iowa Brownfield/Grayfield Redevelopment Tax Credit Certificate, it is assumed that you have successfully applied to the program, been approved by the Iowa Economic Development Authority (EDA) Board, and entered into a contract with the EDA. A checklist of all required documentation has been provided in the contract under Article 4, paragraph 4.4, and can also be found online at the EDA website. The point of the documentation is to demonstrate that you have, in fact, incurred and paid expenses in the redevelopment of your brownfield or grayfield site, per your application, and that your organization is legitimate in the eyes of the State of Iowa and its taxpayers. The most important information you will be asked to submit is proof that your organization incurred expenses directly related to this redevelopment project and that your organization, in fact, paid these expenses. You are required per Iowa law, to submit an audit of the project and project expenses from an independent Certified Public Accountant licensed in Iowa in order to receive the tax credit.

**Fully Executed Contract**

You do NOT need to submit a copy of your contract between your organization and the Iowa Economic Development Authority. You have a signed original of the contract, as does EDA. The contract spells out in detail, the terms and conditions required in order to receive your tax credit certificate, including the Award Date on which the EDA Board first approved your project for tax credits. The Award Date sets the time after which project expenses become eligible. The deadline for your project completion is no more than 30 months after the Award Date. Any expenses incurred *before* the Award Date and *after* 30 months from that date would not be qualifying expenses. There is an option for one 12 month extension, but the extension must be *first* approved by the EDA Board and a contract amendment must be executed.

**Written Certification Statement**

A written certification signed by an authorized representative of the Recipient must be submitted. The statement must certify that:

* + 1. All work for which Tax Benefits are being requested has been completed;
		2. Such work conforms to and complies with any applicable specifications, terms, requirements, and provisions contained in the Contract, including but not limited to Exhibit A (the Recipient’s Application) and Exhibit B (Description of the Project);
		3. All costs and expenses submitted by Recipient have been incurred and paid by Recipient in accordance with the terms and provisions of the Program and the Contract, including but not limited to Exhibit A (the Recipient’s Application) and Exhibit B (Description of the Project);
		4. All costs and expenses submitted by Recipient are: (a) allowable and eligible for Tax Benefits, and (b) directly related to and in conformance with the Project;
		5. All such submitted costs and expenses have been paid timely in accordance with the terms of any applicable agreements, contracts, or other documents;
		6. Recipient has complied with and continues to be in compliance with all terms and provisions of the Contract, and Recipient has not breached or violated any term or provision of the Contract; and all information provided in the Schedule of Claimed Expenses form, supporting documentation, and this written certification is true, accurate, and complete.

**Articles of Incorporation or Articles of Organization**

You do need to submit copies of the articles of incorporation or articles of organization, whichever is appropriate. In either instance, copies need to be certified by someone in your organization that has the authority to sign on its behalf.

**Certificate of Existence.**

You do need to submit a copy of your certificate of existence from the State of incorporation or organization, whichever is applicable.

**Solid or Hazardous Waste Audit.**

To comply with Iowa Code section 15A.1(3)”b,” if the you generate solid or hazardous waste, you must either: a) submit a copy of your existing in-house plan to reduce the amount of waste and safely dispose of the waste based on an in-house audit conducted within the past 3 years; or b) submit an outline of a plan to be developed in-house (this can be in narrative form on company letterhead, for example) or c) submit documentation that you have authorized the Iowa Department of Natural Resources or Iowa Waste Reduction Center to conduct the audit.

**Release Form – Confidential Tax Information.**

You do need to submit a signed original Authorization for Release of Confidential State Tax Information form (also found online at the EDA website) to permit EDA to receive your state tax information directly from the Iowa Department of Revenue for the purpose of evaluation and administration of tax credit programs and other state financial assistance programs. This form must be signed by someone authorized to sign on behalf of your organization.

**Schedule of Claimed Expenses and Supporting Documentation.**

You do need to submit a completed Schedule of Claimed Expenses using the form described in Exhibit C, Schedule of Claimed Expenses. Exhibit C, Schedule of Claimed Expenses, is a spreadsheet that lists EACH invoice amount by category and needs to correspond to copies of invoices and PROOF OF PAYMENT by your organization. This spreadsheet should act as an index of the supporting invoice copies, and copies of your proof of payment. The printout of your spreadsheet should be on 8½ x 11 paper and ideally should guide an auditor through all claimed expenses and proofs of payment. The best proof of payment is a copy of the front and back of a cancelled check to the vendor in the amount of the corresponding invoice. You very well may have to add several lines to the original electronic copy of the spreadsheet provided. Copies of invoices and proof of payment should be organized in a manner such that an auditor could go down the list of qualifying expenses in the spreadsheet and they would be in the same order. This is the heart of what allows your organization tax credits. This must demonstrate expenses directly related to your project that fall after the Award Date and before the 30 month period provided to complete the project, per contract.

**The Schedule of Claimed Expenses must be accompanied by an audit report from an independent Certified Public Accountant licensed to practice in Iowa.** The audit report (or “cost certification” as an accounting professional might know it) must determine and certify the amount of qualifying expenses from the submitted claimed expenses. The report must also certify that all qualifying expenses were incurred and paid by the recipient within the timeframe per the contract, that expenses were directly related to the project (per application and contract) and that qualifying expenses include only the acquisition, cleanup and redevelopment of the property. For more information see document titled “CPA Audit Report”.