



Debi V. Durham, Director
Iowa Economic Development Authority

Targeted Jobs Withholding Tax Credit “Pilot City” Program Withholding Agreement Application

Business Finance - Business Development Division
Iowa Economic Development Authority
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(This program is limited to projects located in a designated “Pilot” City: Burlington, Council Bluffs, Fort Madison, Keokuk, and Sioux City)

Application Instructions

1. Please visit the IEDA Web site, www.iowaeconomicdevelopment.com or contact IEDA at 515.725.3133 to see if this version of the application is still current.
2. Before filling out this application form, please read all applicable sections of the Iowa Code and Iowa Administrative Code ([rules](http://www.legis.state.ia.us/IowaLaw.html)). www.legis.state.ia.us/IowaLaw.html
3. Only typed or computer-generated applications will be accepted and reviewed. Any material change to the format, questions, or wording of questions presented in this application, will render the application invalid and it will not be accepted.
4. Complete the sections of the application fully; if questions are left unanswered or required attachments are not submitted, an explanation must be included.
5. Use clear and concise language. Attachments should only be used when requested or as supporting documentation.
6. Any inaccurate information of a significant nature may disqualify the application from consideration.
7. The following must be submitted to Business Finance at IEDA in order to initiate the review process:
 - One **original**, signed application form and all required attachments
 - One **electronic** copy of the application form and all required attachments

Facsimile copies will not be accepted.

Applications must be submitted to IEDA Business Finance before 4:00pm on the fourth Monday of the month.

Applications will be reviewed by the IEDA Board on the third Friday of the following month.

Public Records Policies

During the application process, the information submitted by you to IEDA is exempt from disclosure under the “industrial prospects” exemption found in Section 22.7(8). However, once you receive an award, the industrial prospects exemption no longer applies and *all documents submitted and generated during the application and negotiation process become public records* under Iowa’s Open Records Law ([Iowa Code, Chapter 22](#)), unless

- 1) The information belongs to one of the classes of records automatically treated as confidential; or
- 2) You have applied for and received written notice that your information will be treated as confidential.

Automatically Confidential Records

IEDA automatically treats the following records as confidential and will withhold them from public inspection even without a request for confidential treatment:

- Tax Records and Tax Liability Information
- *Quarterly Iowa Employer’s Contribution and Payroll Report* prepared for the Iowa Workforce Development Department
- Payroll Registers
- Business Financial Statements and Projections (unless those statements are already publicly available elsewhere, e.g., 10-K filings)
- Personal Financial Statements

Exemptions to the Open Records Law

If you wish to have additional information treated as confidential, you must fill out the [confidential treatment request form](#). Under the Open Records Law, IEDA may lawfully treat certain information as confidential if that information falls within an exemption to the Open Records Law. The following exemptions represent records which may lawfully be treated as confidential under the Open Records law and which are most often applicable to the information submitted to IEDA:

- Release of information would give an unfair advantage to competitors – Iowa Code Sec. 15.118
- Trade secrets – See Iowa Code section 22.7(3), see also Iowa Code Ch. 550
- Information on an industrial prospect with which the IEDA is currently negotiating – See Iowa Code section 22.7(8)
- Communications not required by law, rule or regulation made to IEDA by persons outside the government to the extent that IEDA could reasonably believe that those persons would be discouraged from making them to IEDA if they were made available for general public examination – Iowa Code section 22.7(18)

Non-Confidential Information

Information that is submitted to IEDA as part of the application process or that is contained in a contract for program benefits is generally considered material to the eligibility requirements of the program or to the amount of incentives or assistance to be provided. Such information is generally not given confidential treatment. Such information includes but is not limited to, the number and type of jobs incented, the wage levels for the incented jobs, your company’s employee benefit information, and your project budget.

Additional Information Available. Copies of [Iowa’s Open Record law](#) and IEDA’s [administrative rules](#) relating to public records are available from the IEDA upon request.

SECTION A

Applicant Information

Date Application Submitted:

1. **Name of Business:**
2. **Entity Name (for contracting purposes):**
3. **Address:**
4. **City, State & Zip Code:**
5. **Contact Person:** **Title:**
6. **Phone:** **Fax:** **Email:**
7. **FEIN:**
8. **NAICS Code for primary business operations:**
9. **US DOT Number:**

10. **Does the Business file a consolidated tax return under a different tax ID number?**
 Yes (If yes, please also provide that tax ID number) No
- a. Is the contact person listed above authorized to obligate the Business?**
 Yes No If no, please provide the name and title of a company officer authorized to obligate the Business:

11. **If the application was prepared by someone other than the contact person listed above, please complete the following:**
Name of Business:
Address:
City, State & Zip Code:
Contact Person: Title:
Phone: Fax: Email:

Pilot Project City Information (Burlington, Council Bluffs, Fort Madison, Keokuk, and Sioux City)

12. **Name of Pilot City:**
13. **Chairperson, etc.):** **Official Contact (e.g. Mayor, Title:**
14. **Address:**
15. **City, State & Zip Code:**
16. **Phone:** **Fax:** **Email:**

17. **If IEDA needs to contact the City with questions, should we contact the person listed above?**
 Yes No, please contact the following person:

Name: Title:
Address:
City, State & Zip Code:
Phone: Fax: Email:

18. Please describe how the City will utilize the withholding taxes generated as a result of this project.

SECTION B

Business Information

1. **Provide a brief description and history of the Business. Include information about the Business' products or services and its markets and/or customers.**

2. **Business Structure:**
 Cooperative Corporation Limited Liability Company
 Partnership S-Corporation Sole Proprietorship
3. State of Incorporation:
4. Identify the Business' owners and percent ownership:
5. List the Business' Iowa locations and the most current number of employees at each location (separate full-time vs. part-time).
6. What is the Business' worldwide employment? (Please include employees of parent company, subsidiaries, and other affiliated entities in this figure.)
7. Is the Business currently located in the Iowa? Yes No If yes, is the Business:
 Creating or retaining at least 10 jobs? Making a qualifying investment of at least \$500,000 within the city?

Project Information

8. **Project Street Address:**
Project City & Zip Code:

9. **Type of Business Project:**
 Startup Expansion of Iowa Company New Location in Iowa Relocation from another State
10. **Describe the proposed project for which assistance is being sought. (Include project timeline with dates, facility size, infrastructure improvements, proposed products/services, any new markets, etc.)**

11.

Project Timeline <i>(add additional rows as needed)</i>	Beginning Activity Date	Activity Completion Date

12. **Has any part of the project started*?** Yes No
If yes, please explain.

** For IEDA's purposes, starting the project includes: the start of construction or rehabilitation, the purchase of a building, the execution of a lease, or the installation of equipment to be used in the project.*

13. **Will any of the current Iowa employees lose their jobs if this project does not proceed?**
 Yes No
If yes, please explain why and identify those jobs as "retained jobs" in the Project Jobs Section C.
14. **Is the Business actively considering locations outside of Iowa?** Yes No
If yes, where and what assistance is being offered?
15. **Please identify the company project management for the project location and experience.**

SECTION D

Applicant's Project Budget

1. **Does the Business plan to lease the facility?** **Yes** **No**
If yes, please provide the Annual Base Rent Payment (lease payment minus property taxes, insurance, and operating/maintenance expenses) for three years in the budget below, and only major renovation costs your company expects to incur. What is the length of the lease agreement?
2. Please complete the budget below. Include only costs the company plans to incur directly:

Use of Funds	Cost	Source A	Source B	Source C	Source D	Source E	Source F
Base Rent (3 years)							
Tenant Improvements							
Land Acquisition							
Site Preparation							
Building Acquisition							
Building Construction							
Building Remodeling							
Mfg. Machinery & Equip.							
Other Machinery & Equip.							
Racking, Shelving, etc. ¹							
Computer Hardware							
Computer Software							
Furniture & Fixtures							
Working Capital							
Research & Development							
Other							
TOTAL	\$						

¹ Racking, shelving and conveyor equipment used in distribution center projects only

3. Please complete the chart below with proposed financing for the project (List tax benefits separately below, not as a source of direct financing):

PROPOSED FINANCING					
Source of Funds	Amount	Form of Funds	Rate and Term	Commitment Status	Conditions/Additional Information
Add additional lines as needed		(Loan, Grant, In-Kind, Donation, etc.)			Include when funds will be disbursed; If loan, whether payments are a level term, balloon, etc
Source A: IEDA	\$				
Source B: Local Government	\$				
Source C: Business	\$				
Source D:	\$				
Source E:	\$				
Source F:	\$				
TOTAL	\$				

4. Please complete the chart below with tax credits and other indirect financing expected for the project:

TAX CREDITS AND INDIRECT FINANCING		
Source of Funds	Amount	Description
Investment Tax Credit		
Sales, Service & Use Tax Refund		
Research Activities Credit (3%/10%)		
Local Property Tax Exemption		
Withholding Tax Credit ¹		
Tax Increment Financing		
260E Job Training Funds		
In-kind Contribution		
Other		
TOTAL	\$	

¹ Withholding tax credit is subject to final approval by the IEDA Board, satisfactory compliance with all contractual terms, and the requirements of the applicable Iowa law. The pilot project city and IEDA shall enter into a negotiated withholding agreement up to 10 years with each employer.

SECTION E

Local Match Requirement

The required local match provided has to be in an amount equal to one dollar for every one dollar of withholding tax credit received by the pilot city. (** Local match may come from the city, private donor, the business or a combination of sources and may be provided in the form of cash or in-kind.*)

1. Please identify the total dollar amount of the required one-to-one local match: \$
2. In addition, if the tax collections to the pilot city, at the completion of the project, increases by an amount equal to 10% of the total dollar amount of withholding tax credits, then the pilot city is required to provide 10% of the total required one-to-one local match.
 - a. When completed, will the project increase the tax collections to the pilot city? Yes No

If yes, what is the total dollar amount of the taxable increase? \$

- b. Is this amount equal to at least 10% of the total amount of withholding tax to be received by the pilot city? Yes No

If yes, the pilot city is required to provide 10% of the total required one-to-one local match. (*The pilot city's required contribution may include the dollar value of any new tax abatement provided by the pilot city to the business for new construction*)

- c. Please identify the dollar value or amount and form of the pilot city's required contribution to the one-to-one local match: Dollar value or amount: \$ Form:

- d. Is the Pilot City making any contribution to the project that is not included in the one-to-one local match? Yes No

If yes, please provide: Dollar value or amount: \$ Form:

- e. Please identify the entity that will be providing the required one-to-one match, the total value or dollar amount, and the form of the match to be provided:

Name of Entity	Dollar value or amount of one-to-one local match	Form of one-to-one local match
Business		
Pilot City		
Other		
Total One-to-One Local Match		

Please note that per Program requirements that: a) the total amount of required one-to-one local match has to be at least equal to the total dollar amount of withholding tax credits to be received, and b) the total dollar amount of withholding tax credits to be received has to at least equal to the total dollar amount of Qualifying Investment in the project

Therefore, you must be able to answer "yes" to both of the following questions; if not then the necessary revisions need to be made so that both statements can be answered in the affirmative):

- f. Is the total amount of required one-to-one local match at least equal to the total dollar amount of withholding tax credits to be received? Yes No

- g. and, the total dollar amount of withholding tax credits to be received is not greater than the total dollar amount of Qualifying Investment in the project? Yes No

SECTION F

Business Taxes

IEDA is required to calculate the return on state and local government investments in this project. Data from other parts of the application will be combined with the estimates requested below to calculate the required return on investment information. Please read the following directions carefully:

- IEDA is asking for a best estimate on the increase in taxes associated with this project.
- Estimates should only include the expected increase in tax liability resulting from this project.
- At minimum, IEDA needs estimates for the first three years of the project.
- Show data as if no tax abatements or tax credits awarded for this project were taken.
- For partnership forms of ownership (e.g. limited partnerships, s-corporations, LLC, etc.), please estimate the partners' increase in Iowa tax liability due to this project.
- Sales and use taxes refer to the taxes paid on materials, etc. that the Business purchases, not taxes you collect from sales to your customers.
- Applicants will not be held to these numbers with respect to any award from or contract with IEDA.
- This page of the application will automatically be treated as **confidential**.

Increase in Tax Collections Associated with this Project

State Business Taxes	Year 1	Year 2	Year 3	Year 4	Year 5
State Corporate Income Tax*					
State Business Sales and Use Tax					

* Insurance Companies: Provide State Insurance Premium Tax

Local Business Taxes	Year 1	Year 2	Year 3	Year 4	Year 5
Local Real Estate Property Tax					
Local Option Sales Tax					

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SECTION G

Attachments

Please attach the following documents:

- A1** Resolution or letter from the City indicating support for this project
- A2 Payroll Information (Confidential)**
- Copies of the Business' **Quarterly Iowa Employer's Contribution and Payroll Report** for the past year. This report should include the monthly employment totals.
 - **A copy of the most recent payroll report for one pay period.** The copy of the most recent payroll report for one pay period must be in Excel format and include the following information:
 - Company name, date of payroll and source of payroll information
 - Employee name and/or employee identification number
 - Current hourly wage - do not include bonuses or other benefit values
 - Indicate if the employee is full time (40 hours per week, 52 weeks per year) or part time.
 - A sample Excel spreadsheet can be found at <http://iowaeconomicdevelopment.com/BusinessDev/application>
- A3 Affidavit** that states the Business has not, within the last five years, violated state or federal statutes, rules, and regulations, including environmental, worker safety regulations and antitrust laws, or, if such violations have occurred, that there were mitigating circumstances or such violations did not seriously affect public health or safety or the environment. A sample affidavit can be found at <http://iowaeconomicdevelopment.com/BusinessDev/application>

SECTION H

Certification & Release of Information

1. Are there any judgments or court actions completed or pending against the applicant entity, or any current or prospective officer, principal, director, or owner? Yes No
2. Has any current or prospective officer, principal, director, or owner been accused or convicted of any wrongdoing or crime, other than a simple misdemeanor? Yes No
3. Have there been any current or past bankruptcies on the part of the applicant entity (or predecessor entities), or on the part of any current (or prospective) officer, principal, owner or in any business dealings of current (or prospective) officers, principals, or owners of the applicant entity? Yes No
4. In the last five years have there been, or are there currently any investigations of potential violations of public health, safety (including workplace safety) or environmental laws by the applicant entity, or any current or prospective officer, principal, director, or owner? Yes No
5. In the last five years have there been, or are there currently any violations of antitrust laws by the applicant entity, or any current or prospective officer, principal, director, or owner? Yes No
6. *If yes to any of the above, please provide additional explanation:*

I hereby give permission to the Iowa Economic Development Authority (IEDA) to research the Business' history, make credit checks, contact the Business' financial institutions, insurance carriers, and perform other related activities necessary for reasonable evaluation of this application. I also hereby authorize the Iowa Department of Revenue to provide to IEDA state tax information pertinent to the Business' state income tax, sales and use tax, and state tax credits claimed.

I understand that all information submitted to IEDA related to this application is subject to Iowa's Open Record Law (Iowa Code, Chapter 22), unless specifically marked as confidential section.

I understand that IEDA reserves the right to negotiate the financial assistance.

I understand this application is subject to final approval by IEDA and the Project may not be initiated until final approval is secured. Furthermore, I am aware that funds will not be disbursed until a contract has been executed and the appropriate terms have been met.

I hereby certify that all representations, warranties, or statements made or furnished to IEDA in connection with this application are true and correct in all material respect. I understand that it is a criminal violation under Iowa law to engage in deception and knowingly make, or cause to be made, directly or indirectly, a false statement in writing for the purpose of procuring economic development assistance from a state agency or subdivision.

For the Business:

For the Pilot City:

Signature Date

Signature Date

Name and Title (typed or printed)

Name and Title (typed or printed)

IEDA will not provide assistance in situations where it is determined that any representation, warranty, or statement made in connection with this application is incorrect, false, misleading or erroneous in any material respect. If assistance has already been provided prior to discovery of the incorrect, false, or misleading representation, IEDA may initiate legal action to recover incentives and assistance awarded to the Business.