



BILL SUMMARY

HF 2468 Department of Revenue Technical Bill

Status of Bill: Floor
Committee: Ways & Means Committee (21-0)
Lead Democrats: Rep. Windschitl
Floor Manager: Rep. Jacoby; Rep. Prichard
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Summary

House File 2468 makes several changes related to the administration of the state tax code:

- Implements new background check requirements for employees and contractors at the Department of Revenue. These additional background checks are necessary because of new requirements for accessing taxpayer information from the federal Internal Revenue Service (IRS).
- Codifies the wait-list process for solar installation tax credits. Allows applications for solar credits filed after May 1st to be claimed the next tax year.
- Allows for sales tax exemptions in Reinvestment Districts to be up done up front instead of applying after the project.
- Clarifies in a Redevelopment District that only the sales price of building materials, supplies, and equipment is exempt for a project that has been approved by the Economic Development Authority.
- Clarifies in an appeal of a property assessment the director of the Department of Revenue may also consider evidence and witnesses offered by the Department of Revenue, not just the taxpayer.
- Extends the Utility Replacement Task Force for from January 1, 2016, through January 1, 2019. The task force is required to study the effects of the utility replacement tax on local taxing authorities, local taxing districts, consumers, and taxpayers and may offer recommendations.
- Changes the solar facilities tax credit for small electricity facilities, such as municipal utilities and Rural Electric Cooperatives (RECs), to allow for additional types of ownership by RECs and municipal utilities. This includes limiting an entity to having an ownership in more than 4 of these solar facilities.

Amendment Summary

H-8303 as amended by H-8305 by Windschitl

Differences from HF 2468

- Makes the solar credit changes effective immediately.
- Reinstates “the hard deadline” of May 1st for applying for the solar tax credit.
- Couples the Iowa Solar Income Tax Credit to the extension of the federal credit through 2021.