



# Application for Business Property Tax Credit

Iowa Code Chapter 426C.3

Initial Application       Reapplication By Owner Only

<b>Applicant / Owner Contact Information</b>	
PLEASE PRINT	
Name: _____	
Mailing Address: _____	
Phone Number: _____	eMail: _____

Date: \_\_\_\_\_

City/County Assessing Jurisdiction: \_\_\_\_\_

Owner's Name: \_\_\_\_\_

Parcel Number(s): \_\_\_\_\_  
(attach additional sheets if necessary)

Property Address: \_\_\_\_\_

I certify that this parcel, or property unit, as defined in Iowa Code section 426C.1, is classified and taxed as commercial, industrial, or railway property under chapter 434. I certify that the property is not rented or leased to low-income individuals or families as authorized by section 42 of the Internal Revenue Code.

I certify that the property/property unit indicated above is not a mobile home park, manufactured home community, land-leased community, or assisted living facility, as those terms are defined in section 441.21, subsection 13, or property primarily used or intended for human habitation containing three or more separate dwelling units and not eligible for the credit.

I certify the property unit identified above is eligible for the credit.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**Written notification must be given to the assessor if this property unit ceases to qualify for the credit.**

***This application must be received by the city or county assessor where the property is located.***

The deadline for this application is March 15. The credit will be applied toward the next property tax due date. (Example: Applications received by March 15, 2015 apply to taxes payable September 2015 and March 2016.)

Office Use Only:      **Assessment Year Applicable:** \_\_\_\_\_

### Assessor or Authorized Representative

I recommend that the application be:  allowed       disallowed.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

### Board of Supervisors

allowed       disallowed

Date: \_\_\_\_\_

## Business Property Tax Credit Form SF 295 – Passed in 2013

**Sec. 3. NEW SECTION. 426C.1 Definitions.** For the purposes of this chapter, unless the context otherwise requires:

1. “*Contiguous parcels*” means any of the following: *a.* Parcels that share a common boundary. *b.* Parcels within the same building or structure regardless of whether the parcels share a common boundary. *c.* Permanent improvements to the land that are situated on one or more parcels of land that are assessed and taxed separately from the permanent improvements if the parcels of land upon which the permanent improvements are situated share a common boundary.
2. “*Department*” means the department of revenue.
3. “*Fund*” means the business property tax credit fund created in section 426C.2.
4. “*Parcel*” means as defined in section 445.1 and, for purposes of business property tax credits claimed for fiscal years beginning on or after January 1, 2016, “*parcel*” also means that portion of a parcel assigned to be commercial property, industrial property, or railway property under chapter 434 pursuant to section 441.21, subsection 13, paragraph “*c*”.
5. “*Property unit*” means contiguous parcels all of which are located within the same county, with the same property tax classification, are owned by the same person, and are operated by that person for a common use and purpose.

### **Summary of Sec. 5. NEW SECTION. 426C.3 Claims for credit.**

- The initial application form may be filed by a “Person” which under Iowa law is defined as an Individual, Corporation, Limited Liability Company, Government, Government Subdivision or Agency, Business Trust, Estate, Trust, Partnership or Association or any other legal entity. A reapplication must be filed by the property owner.
- Tax credit claims must be filed on or before March 15 proceeding the fiscal year when the taxes associated with the claim are due and payable.
- The assessor remits the claims for credit to the county auditor with the assessor’s recommendation for allowance or disallowance. If disallowance is recommended, the assessor shall submit the reasons for the recommendation, in writing, to the county auditor.
- The county auditor forwards the claims and recommendations to the board of supervisors.
- The board shall allow or disallow the claims. The board shall notify claimant of disallowance.
- If the claim for the tax credit is allowed, it continues to be allowed on the parcel or property for successive years as long as the parcel or property unit satisfies the requirements for the credit.
- If the parcel or property unit no longer qualifies for the credit, the owner shall provide written notice to the assessor on or before the filing date after the date the property ceases to be qualified for the credit.
- **If all or a portion of a parcel or property unit that is allowed a credit is sold, transferred, or ownership otherwise changes**, the buyer, transferee, or new owner who wishes to receive the credit must refile the claim for credit. In addition, the owner of the portion of the parcel or property unit for which ownership did not change shall refile the claim for credit as well.

### **Summary of Sec. 6. NEW SECTION. 426C.4 Eligibility and amount of credit.**

- A person may claim and receive one credit for each eligible parcel unless the parcel is part of a property unit for which a credit is claimed.
- A person may claim and receive one credit for each property unit. A credit approved for a property unit shall be proportionally allocated to the several parcels within the property unit proportionately based on each parcel’s total amount of property taxes due and payable bears as part of the total amount of property taxes due and payable on the property unit.
- What qualifies as a parcel: parcels classified and taxed as commercial property, industrial property, or railway property under chapter 434 is eligible for a credit under this chapter.
- What qualifies as a property unit: property units are comprised of property assessed as commercial property, industrial property, or railway property under chapter 434, in the same county, with the same classification, owned by the same person, are contiguous as defined in 426C.1, are separate items on a tax list, and are operated by that person for a common use and purpose.
- What **DOES NOT** qualify: (1) Property that is rented or leased and authorized by section 42 of the Internal Revenue Code for the applicable assessment year. (2) For credits claimed for the fiscal year beginning July 1, 2014, and the fiscal year beginning July 1, 2015, property that is a mobile home park, manufactured home community, land-leased community, assisted living facility, as defined in section 441.21, subsection 13, or that is property primarily used or intended for human habitation containing three or more separate dwelling units.