

## Red Tape Review Rule Report (Due: September 1, 2025)

<b>Department Name:</b>	IEDA	<b>Date:</b>	8/11/25	<b>Total Rule Count:</b>	10
<b>IAC #:</b>	261	<b>Chapter/ SubChapter/ Rule(s):</b>	Chapter 115	<b>Iowa Code Section Authorizing Rule:</b>	Chapter 15E, Subchapter V
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**PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE**

### What is the intended benefit of the rule?

The intended benefit of chapter 115 is to describe the policies and procedures applicable to tax credits for investments in qualifying businesses funds, available pursuant to Iowa Code chapter 15E, subchapter V. The program incentivizes the transfer of capital from investors to entrepreneurs, particularly during early-stage growth.

### Is the benefit being achieved? Please provide evidence.

No. The program was historically oversubscribed and IEDA ceased accepting applications. The program was repealed by 2025 Iowa Acts, Senate File 657.

### What are the costs incurred by the public to comply with the rule?

Qualifying businesses interested in applying for certification may require staff time to complete an application. Certified businesses may similarly incur costs to comply with reporting and monitoring requirements of the program. Some businesses may choose to rely on an external service provider to complete these tasks. The amount of the costs will vary, depending on the compensation of staff or service providers involved. Investors that are eligible for a tax credit must also submit an application for the tax credit. The business and investor applications require minimal time to complete.

### What are the costs to the agency or any other agency to implement/enforce the rule?

IEDA staff time is required to review and prepare applications for approval, issue tax credit certificates, review reports, and communicate with program applicants and recipients.

### Do the costs justify the benefits achieved? Please explain.

Yes. Only entities and individuals that will potentially benefit from the program incur any costs. The costs to the state to administer the program are proportional to the activities incited.

Are there less restrictive alternatives to accomplish the benefit? ☐ YES ☒ NO

If YES, please list alternative(s) and provide analysis of less restrictive alternatives from other states, if applicable. If NO, please explain.

The application and administrative requirements of the rules are no more than necessary to implement the purposes of the program.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language? [list chapter/rule number(s) that fall under any of the above categories]

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Yes. The chapter as a whole is obsolete due to repeal of the tax credit in 2025 Iowa Acts, Senate File 657.

**RULES PROPOSED FOR REPEAL (list rule number[s]):**

115.1  
115.2  
115.3  
115.4  
115.5  
115.6  
115.7  
115.8  
115.9  
115.10

**\*RULES PROPOSED FOR RE-PROMULGATION\* (list rule number[s] or include text if available):**

None.

***\*For rules being re-promulgated with changes, you may attach a document with suggested changes.***

#### METRICS

Total number of rules repealed:	10
Proposed word count reduction after repeal and/or re-promulgation	3674
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	56

**ARE THERE ANY STATUTORY CHANGES YOU WOULD RECOMMEND INCLUDING CODIFYING ANY RULES?**

No.