

HF 868 (Excerpt)- Passed and signed into law

Sec. 71. Section 15E.303, subsections 4 and 6, Code 2005,

57 20 are amended to read as follows:

57 21 4. "Endowment gift" means an irrevocable contribution to a
57 22 permanent endowment held by ~~a~~ an endow Iowa qualified
57 23 community foundation.

57 24 6. ~~"Qualified~~ "Endow Iowa qualified community foundation"
57 25 means a community foundation organized or operating in this
57 26 state that ~~meets or exceeds~~ substantially complies with the
57 27 national standards established by the national council on
57 28 foundations as determined by the department in collaboration
57 29 with the Iowa council of foundations.

57 30 Sec. 72. Section 15E.304, subsection 2, paragraphs c and
57 31 d, Code 2005, are amended to read as follows:

57 32 c. Identify ~~a~~ an endow Iowa qualified community foundation
57 33 to hold all funds. ~~A~~ An endow Iowa qualified community
57 34 foundation shall not be required to meet this requirement.

57 35 d. Provide a plan to the board demonstrating the method
58 1 for distributing grant moneys received from the board to
58 2 organizations within the community or geographic area as
58 3 defined by the endow Iowa qualified community foundation or
58 4 the community affiliate organization.

58 5 Sec. 73. Section 15E.304, subsection 3, Code 2005, is
58 6 amended to read as follows:

58 7 3. Endow Iowa grants awarded to new and existing endow
58 8 Iowa qualified community foundations and to community
58 9 affiliate organizations shall not exceed twenty-five thousand
58 10 dollars per foundation or organization unless a foundation or
58 11 organization demonstrates a multiple county or regional
58 12 approach. Endow Iowa grants may be awarded on an annual basis
58 13 with not more than three grants going to one county in a
58 14 fiscal year.

58 15 Sec. 74. Section 15E.305, subsection 1, Code 2005, is
58 16 amended to read as follows:

58 17 1. For tax years beginning on or after January 1, 2003, a
58 18 tax credit shall be allowed against the taxes imposed in
58 19 chapter 422, divisions II, III, and V, and in chapter 432, and
58 20 against the moneys and credits tax imposed in section 533.24
58 21 equal to twenty percent of a taxpayer's endowment gift to ~~a~~ an
58 22 endow Iowa qualified community foundation. An individual may
58 23 claim a tax credit under this section of a partnership,
58 24 limited liability company, S corporation, estate, or trust
58 25 electing to have income taxed directly to the individual. The
58 26 amount claimed by the individual shall be based upon the pro
58 27 rata share of the individual's earnings from the partnership,
58 28 limited liability company, S corporation, estate, or trust. A
58 29 tax credit shall be allowed only for an endowment gift made to
58 30 ~~a~~ an endow Iowa qualified community foundation for a permanent
58 31 endowment fund established to benefit a charitable cause in
58 32 this state. Any tax credit in excess of the taxpayer's tax
58 33 liability for the tax year may be credited to the tax
58 34 liability for the following five years or until depleted,
58 35 whichever occurs first. A tax credit shall not be carried
59 1 back to a tax year prior to the tax year in which the taxpayer

59 2 claims the tax credit.

59 3 Sec. 75. Section 15E.305, subsection 2, Code 2005, is
59 4 amended to read as follows:

59 5 2. The aggregate amount of tax credits authorized pursuant
59 6 to this section shall not exceed a total of two million
59 7 dollars annually. The maximum amount of tax credits granted
59 8 to a taxpayer shall not exceed five percent of the aggregate
59 9 amount of tax credits authorized.

59 10 Sec. 76. Section 15E.305, subsection 2, Code 2005, is
59 11 amended by adding the following new unnumbered paragraph:

59 12 NEW UNNUMBERED PARAGRAPH. Ten percent of the aggregate
59 13 amount of tax credits authorized in a calendar year shall be
59 14 reserved for those endowment gifts in amounts of thirty
59 15 thousand dollars or less. If by September 1 of a calendar
59 16 year the entire ten percent of the reserved tax credits is not
59 17 distributed, the remaining tax credits shall be available to
59 18 any other eligible applicants.

59 19 Sec. 77. Section 15E.305, subsection 4, Code 2005, is
59 20 amended to read as follows:

59 21 4. A tax credit shall not be authorized pursuant to this
59 22 section after December 31, ~~2005~~ 2008.

59 23 Sec. 78. Section 15E.311, subsection 3, paragraphs a and
59 24 c, Code 2005, are amended to read as follows:

59 25 a. At the end of each fiscal year, moneys in the fund
59 26 shall be transferred into separate accounts within the fund
59 27 and designated for use by each county in which no licensee
59 28 authorized to conduct gambling games under chapter 99F was
59 29 located during that fiscal year. Moneys transferred to county
59 30 accounts shall be divided equally among the counties. Moneys
59 31 transferred into an account for a county shall be transferred
59 32 by the department to an eligible county recipient for that
59 33 county. Of the moneys transferred, an eligible county
59 34 recipient shall distribute seventy-five percent of the moneys
59 35 as grants to charitable organizations for ~~educational, civic,~~
~~60 1 public, charitable, patriotic, or religious uses, as defined~~
~~60 2 in section 99B.7, subsection 3, paragraph "b", charitable~~
60 3 purposes in that county and shall retain twenty-five percent
60 4 of the moneys for use in establishing a permanent endowment
60 5 fund for the benefit of charitable organizations for
60 6 ~~educational, civic, public, charitable, patriotic, or~~
~~60 7 religious uses, as defined in section 99B.7, subsection 3,~~
~~60 8 paragraph "b" charitable purposes.~~

60 9 ~~e. For purposes of~~

60 10 3A. As used in this subsection section, an "eligible
60 11 unless the context otherwise requires:

60 12 a. "Charitable organization" means an organization that is
60 13 described in section 501(c)(3) of the Internal Revenue Code
60 14 that is exempt from taxation under section 501(a) of the
60 15 Internal Revenue Code or an organization that is established
60 16 for a charitable purpose.

60 17 b. "Charitable purpose" means a purpose described in
60 18 section 501(c)(3) of the Internal Revenue Code, or a
60 19 benevolent, educational, philanthropic, humane, scientific,
60 20 patriotic, social welfare or advocacy, public health,
60 21 environmental conservation, civic, or other eleemosynary
60 22 objective.

60 23 c. "Eligible county recipient" means a an endow Iowa

60 24 qualified community foundation or community affiliate
60 25 organization, as defined in section 15E.303, that is selected,
60 26 in accordance with the procedures described in section
60 27 15E.304, to receive moneys from an account created in this
60 28 section for a particular county. To be selected as an
60 29 eligible county recipient, a community affiliate organization
60 30 shall establish a county affiliate fund to receive moneys as
60 31 provided by this section.

60 32 Sec. 79. Section 15E.311, Code 2005, is amended by adding
60 33 the following new subsection:

60 34 NEW SUBSECTION. 5. Three percent of the moneys deposited
60 35 in the county endowment fund shall be used by the lead
61 1 philanthropic organization identified by the department
61 2 pursuant to section 15E.304 for purposes of administering and
61 3 marketing the county endowment fund.

61 4 Sec. 80. LEGISLATIVE INTENT. It is the intent of the
61 5 general assembly that the entire two million dollars worth of
61 6 tax credits allowed under section 15E.305, subsection 2, shall
61 7 be issued each calendar year.

61 8 Sec. 81. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
61 9 This division of this Act, being deemed of immediate
61 10 importance, takes effect upon enactment and applies
61 11 retroactively to January 1, 2005.

**Amendment 3328 to HF 868 (Excerpt) - also passed and signed
into law**

<Sec. _____. Section 15E.305, subsection 2, Code

1 20 2005, is amended to read as follows:

1 21 2. The aggregate amount of tax credits authorized
1 22 pursuant to this section shall not exceed a total of
1 23 two million dollars annually. The maximum amount of
1 24 tax credits granted to a taxpayer shall not exceed
1 25 five percent of the aggregate amount of tax credits
1 26 authorized.>