



Name(s) _____ SSN or FEIN _____

Pass-Through Entity (if applicable) _____

Pass-Through FEIN _____ Tax Period Ending Date _____

Tax credit certificate number for 260E agreement with a community college _____

If you claimed the New Jobs Tax Credit under this agreement in a prior tax year, you are NOT eligible to claim it again for the same new jobs.

Part I: Eligibility for New Jobs Tax Credit

- 1. Base employment level at the location with the 260E agreement 1. _____
2. Number of new jobs directly resulting from the project covered by the agreement 2. _____
3. Number of new jobs directly resulting from the project covered by the agreement for which the tax credit is being claimed this tax year from Schedule A, column E, Total New Jobs 3. _____
4. Number of new jobs directly related to the jobs in line 2 for which the tax credit is being claimed this tax year from Schedule B, column E, Total New Jobs 4. _____
5. Total new jobs claimed this tax year, add lines 3 and 4 5. _____
6. Increased employment percentage. Divide line 5 by line 1 and round to three decimals (ex. 10.3%). If line 1 equals zero, report 10.0%. If this number is less than 10.0%, you are not eligible for the New Jobs Tax Credit for this tax year. Do not claim this tax credit 6. _____ %

Part II: Calculation of the New Jobs Tax Credit

- 7. Qualifying taxable wages for eligible new jobs. Add total qualifying taxable wages from Schedule A, column F, and Schedule B, column F 7. _____
8. Tax credit rate is 6.0% 8. _____ x 0.06
9. New Jobs Tax Credit. Multiply line 7 by line 8. Enter in column D of Part I on the IA 148 Tax Credits Schedule 9. _____
10. Pass-through New Jobs Tax Credit from partnership, LLC, S corporation, estate, or trust. Enter in column D of Part I and complete Part IV on the IA 148 Tax Credits Schedule 10. _____
11. Carryforward of New Jobs Tax Credit from tax year 2014 under the Tax Credit Certificate Number listed above. Enter in column C of Part I on the IA 148 Tax Credits Schedule 11. _____

IA 148 Tax Credits Schedule must be completed.



2015 IA 133 New Jobs Tax Credit Instructions

A New Jobs Tax Credit can be claimed by a taxpayer who has entered into an Iowa Industrial New Jobs Training (260E) agreement with a community college and who has increased employment over the base employment level by at least 10.0%. The tax credit can be claimed in any tax year that either begins or ends during the term of the 260E agreement. However, the tax credit may not be taken until the base employment level has been exceeded by at least 10.0%. In the case of a taxpayer without a base employment level, the tax credit can be claimed for all eligible new jobs for the tax year selected by the taxpayer. The tax credit can only be claimed once for each new job.

Base employment level means the number of full-time jobs a business employs at the location covered by the 260E agreement on the date of the agreement. A full-time job includes any position with an average work week of 35 or more hours or a salaried position. Part-time jobs must be aggregated to equal a full-time job. A job with average weekly hours below 15 counts as 0.25; a job with hours greater than or equal to 15 but less than 25 counts as 0.5; and a job with hours greater than or equal to 25 but less than 35 counts as 0.75.

In determining if the taxpayer has increased employment over the base employment level by at least 10.0%, only those new jobs directly resulting from the project covered by the agreement and those directly related to those new jobs are eligible. New jobs directly resulting from a project do not include jobs of recalled workers or replacement jobs or other jobs that formerly existed at the location. New jobs directly related to the new jobs resulting from the project means those jobs which directly support the new jobs. However, those new jobs do not include an in-state employee transferred to a position which would be considered a new job directly related to the new jobs resulting from the project unless the transferred employee's vacant position is filled by a new employee. The burden of proof that a new job is directly related to the new jobs resulting from the project is on the taxpayer.

Example: A taxpayer who has entered into a chapter 260E agreement to train new

employees for a new product line transfers an in-state employee to be foreman of the new product line and fills the transferred employee's position with a new employee. The new foreman's position would be considered a job directly related to new jobs because it directly supports the new jobs and the transferred employee's old position was filled by a new employee.

Any credit in excess of the tax liability for the tax year may be credited to the tax liability for the following 10 tax years or until depleted, whichever is earlier. Complete the IA 133 even if you are only claiming a New Jobs Tax Credit carryforward from a prior tax year.

A separate IA 133 must be completed for each different 260E agreement under which a New Jobs Tax Credit, new or carryforward, is claimed.

Apportionment of Tax Credit

If the business is a partnership, LLC, S corporation, estate, or trust, the tax credit must be apportioned to the members. The pass-through entity must file the IA 133 with its return. On Schedule K-1 or on an attachment to Schedule K-1, report the tax credit for each member, including the tax credit certificate number for the 260E agreement, and instruct the members to report the apportioned tax credit on line 10 of form IA 133 and include it with their tax returns. Also direct members to report their share of the New Jobs Tax Credit on Part I of the IA 148 Tax Credits Schedule with the tax credit certificate number assigned to the 260E agreement.

Schedules A and B New Jobs Details

Schedules A and B must be completed to demonstrate eligibility for the New Jobs Tax Credit. In Schedule A, provide the name, SSN, and job title for employees in the new jobs directly resulting from the project covered by the agreement. In Schedule B, provide the name, SSN, and job title for employees in the new jobs directly related to the new jobs reported in Schedule A. Complete multiple schedules if more lines are needed. Also report total wages paid to each employee during calendar year 2015 in column D. If any of the listed employees worked less than 35 hours per week, indicate the

applicable share of hours in column E; enter 0.75 if hours are greater than or equal to 25 but less than 35; enter 0.5 if hours are greater than or equal to 15 but less than 25; enter 0.25 if hours are below 15; enter 1 if a full-time job.

Column F equals qualifying taxable wages for the employees in jobs for which the taxpayer is claiming the New Jobs Tax Credit this tax year. Multiply the lesser of column D or \$27,300 by the hours share in column E to calculate qualifying taxable wages in column F. If the taxpayer claimed a tax credit for the listed employee in a prior tax year, leave column F blank. If the taxpayer chooses to not claim a tax credit this tax year for a listed employee, leave column F blank.

In the final rows of each schedule, total columns E and F. Enter the Schedule A, column E sum in line 3 of the IA 133. Enter the Schedule B, column E sum in line 4 of the IA 133. Add the Schedules A and B, column F totals and enter that sum in line 7 of the IA 133.

2015 IA 133 Instructions

Provide your name, SSN or FEIN, and tax period ending date. Also report the tax credit certificate issued with the 260E agreement.

Line 2: Number of new jobs covered in the agreement - Report the number of new jobs pledged in the 260E agreement with the community college.

Line 3: Number of new jobs claimed - Report the number of new jobs which equals the sum of column E in Schedule A on the IA 133; add additional schedules if more than fifteen employees.

Line 4: Number of jobs directly related to the new jobs claimed - Report the number of jobs directly related to the new jobs which equals the sum of column E in Schedule B on the IA 133; add additional schedules if more than six employees.

Line 7: Qualifying taxable wages - For 2015,

qualifying taxable wages are the first \$27,300 wages paid to employees in new jobs or in jobs directly related to those new jobs. This is the amount of taxable wages on which an employer is required to pay unemployment taxes. Add the totals from Schedule A and Schedule B in column F.

If the taxpayer is a C corporation, the amount in line 9 of this form must be placed in column D of Part I on the IA 148 Tax Credits Schedule; use tax credit code 08 in column A. Enter the tax credit certificate number awarded with the 260E agreement in column B. Use the IA 148 Tax Credits Schedule to determine the allowable credit that can be claimed in the current tax year and any carryforward. Any carryforward from prior year(s) claimed under the same 260E contract must be reported in line 11 of this form and placed in column C of the same line on the IA 148. If the taxpayer is only reporting a carryforward claim, complete line 11 of this form as well as all the fields at the top.

If the taxpayer has received any new pass-through New Jobs Tax Credit from a partnership, LLC, S corporation, estate, or trust, indicate that amount on line 10 of this form. Also enter the amount in column D of Part I on the IA 148 Tax Credits Schedule. If you have a carryforward tax credit received from a pass-through in a prior tax year, indicate that amount on line 11 of this form. Also enter the amount in column C of Part I on the IA 148 Tax Credits Schedule. For either a new claim or carryforward claim, use tax credit code 08 in column A and report the 260E certificate number in column B. Provide the pass-through name in column M and FEIN in column N of Part IV on the IA 148 Tax Credits Schedule as well as on the top of this form.

File a separate IA 133 for each pass-through New Jobs Tax Credit received. Also list the claims separately on Part I of the IA 148 Tax Credits Schedule with each tax credit certificate number and provide each pass-through name and FEIN in Part IV.