

**Recent changes**

Due to recent changes to Iowa law, certain tax credits listed in Part V of the IA 148 are subject to reduction based on your tax liability. Consult Part V before completing Parts I, II, and III.

**Purpose of schedule**

Include the IA 148 Iowa Tax Credits Schedule with the 2024 tax return on which tax credits are being claimed. This schedule is used to claim tax credits against individual income tax, fiduciary income tax, corporation income tax, franchise tax, moneys and credits tax, and insurance premium tax liabilities. Each tax credit, or unique tax credit certificate number, must be entered on a separate line.

**Part I — Nonrefundable tax credits**

**Column A: Tax credit code** - Enter the tax credit code from the list below for the tax credit claimed on each line.

- 03 Endow Iowa Tax Credit
- 04 Franchise Tax Credit (include the IA 147)
- 05 Nonrefundable Historic Preservation Tax Credit
- 06 Housing Investment Tax Credit [awarded under Enterprise Zone Program, Iowa Code sections 15E.191-196 (2014)]
- 07 Investment Tax Credit
- 08 New Jobs Tax Credit (include the IA 133)
- 10 Renewable Energy Tax Credit
- 11 S Corporation Apportionment Tax Credit (include the IA 134)
- 12 School Tuition Organization (STO) Tax Credit – See \* for instructions
- 14 Angel Investor Tax Credit FKA Venture Capital - Qualifying Business
- 16 Wind Energy Production Tax Credit
- 17 Agricultural Assets Transfer Tax Credit
- 17 Beginning Farmer Tax Credit
- 20 Charitable Conservation Contribution Tax Credit (include federal form 8283)
- 21 Redevelopment Tax Credit
- 22 Solar Energy System Tax Credit – See \*\* for instructions
- 23 Geothermal Heat Pump Tax Credit installed and awarded after tax year 2018. – See \*\* for instructions
- 23 Geothermal Heat Pump Tax Credit –installed prior to 2017 (carryforward amounts only)

- 24 Custom Farming Contract Tax Credit (carryforward amounts only)
- 25 Innovation Fund Tax Credit
- 26 Farm to Food Donation Tax Credit (include IA 178)
- 27 Workforce Housing Investment Tax Credit (awarded under Iowa Code sections 15.351 through 15.356)
- 28 Geothermal Tax Credit – installed during tax year 2017 or 2018 (carryforward amounts only)
- 29 Hoover Presidential Library Tax Credit
- 30 Employer Child Care Tax Credit (include IA 8882)
- 31 MEGA Nonrefundable Investment Tax Credit
- 46 Third Party Developer Tax Credit – See \*\*\* for instructions
- 47 Third Party Developer Tax Credit for racks, shelving, and conveyor equipment – See \*\*\* for instructions

\*Do not claim school or college expenses paid for you or your dependents or a contribution to a College Savings Iowa or Iowa Advisor 529 Education Savings Plan as a School Tuition Organization Tax Credit. You may be able to claim K-12 school expenses using the Tuition and Textbook Tax Credit on IA 1040, line 9. You may be able to deduct College Savings Iowa or Iowa Advisor 529 Education Savings Plan contributions as other adjustments on IA 1040, Schedule 1, line 19. To determine eligibility, see the detailed IA 1040 expanded instructions at [revenue.iowa.gov](https://revenue.iowa.gov). Nonresidents and part-year residents (including those claiming a School Tuition Organization Tax Credit of a pass-through entity) must apportion their School Tuition Organization Tax Credit based on their ratio of Iowa-source net income to total net income. For additional information on this calculation, see line 17 of the detailed IA 1040 expanded instructions at [revenue.iowa.gov](https://revenue.iowa.gov).

\*\*The Iowa Solar Energy Tax Credit and the Geothermal Heat Pump Tax Credit are awarded credits for Iowa purposes.

\*\*\*The Third-Party Developer Tax Credit is initially awarded by the Iowa Economic Development Authority. You must submit an application to the Iowa Department of Revenue reporting eligible sales tax paid by a third party within one year of contract completion.

The Department will issue a tax credit certificate and you can then claim the amount included on the certificate on your tax return. The application and instructions can be found under sales and use tax forms at the Department's website ([revenue.iowa.gov/forms](http://revenue.iowa.gov/forms)).

**Column B: Certificate number** – You must enter the tax credit certificate number received from the agency or organization that awarded the tax credit except claims for the following:

- 04 Franchise Tax Credit
- 11 S Corporation Apportionment Tax Credit
- 20 Charitable Conservation Contribution Tax Credit
- 23 Geothermal Heat Pump Tax Credit (only installations prior to 2017)
- 28 Geothermal Tax Credit (installations during tax year 2017 or 2018 only)

**Column C: Amount carried forward from prior year** - Enter any amount carried forward from tax year 2023 for each of the tax credits being claimed, separating tax credits by certificate number if applicable.

**Column D: Current year amount** - Enter the total amount of tax credit you earned directly, were awarded this tax year, or received from a pass-through entity during tax year 2024. See the instructions for Part IV for the definition of pass-through entity. Part IV must be completed if a tax credit is received from a pass-through entity.

**Column F: Current year amount applied** - Enter the amount of each tax credit being applied to the current tax year. The sum of column F may not exceed total tax liability. For individual and fiduciary income tax, if available tax credits exceed total tax liability and multiple tax credits are claimed, they are to be claimed in the order provided in Iowa Administrative Code rule 701—304.44. For corporation income tax, if available tax credits exceed total tax liability and multiple tax credits are claimed, they are to be claimed in the order provided in Iowa Administrative Code rule 701—501.12. You may also follow the order in that rule for claims against moneys and credits tax and insurance premiums tax.

For franchise tax, if available tax credits exceed total tax liability and multiple tax credits are claimed, they shall be claimed in the order provided in Iowa Administrative Code rule 701—601.24.

**Column G: Expired amount** - Enter the amount of any tax credit that has expired. The remaining tax

credit expires if the entire tax credit is not claimed by the end of the carryforward period. Table 1 located on the last page of these instructions provides the allowable carryforward period for all nonrefundable tax credits. The carryforward period listed in the table begins the year after the first tax year in which the tax credit can be claimed. Tax credits awarded or earned in the year listed under the third column must be applied against tax liability on this return. Any remaining balance cannot be carried forward to the next tax year and must be included under column G as an expired amount. If NA appears, no amounts of that tax credit expired in tax year 2024.

## Part II — Refundable tax credits

**Column I: Tax credit code** - Enter the tax credit code from the list below for the tax credit claimed on each line.

- 51 Assistive Device Tax Credit
- 52 Biodiesel Blended Fuel Tax Credit (include the IA 8864)
- 53 Claim of Right Tax Credit
- 55 E85 Gasoline Promotion Tax Credit (include the IA 135)
- 56 Historic Preservation Tax Credit
- 58 Research Activities Tax Credit (include the IA 128 or the IA 128S)
- 59 Supplemental Research Activities Tax Credit (include the IA 128 or the IA 128S)
- 62 Third Party Developer Tax Credit – See \*\*\* for instructions
- 65 E15 Plus Gasoline Promotion Tax Credit (include the IA 138)
- 66 Adoption Tax Credit (include the IA 177 for each qualifying adoption; report each tax credit on a separate line)
- 67 Refundable Redevelopment Tax Credit (refundability only available if specified by Iowa Economic Development Authority)
- 68 Angel Investor Tax Credit FKA Venture Capital - Qualifying Business (only refundable for awards made after July 2, 2016 and claimed by individual or fiduciary income taxpayers)
- 69 Renewable Chemical Production Tax Credit.
- 70 Public Safety Officer Moving Expense Tax Credit (include the IA 176)
- 71 MEGA Refundable Investment Tax Credit.
- 97 Third Party Developer Tax Credit for racks, shelving, and conveyor equipment – See \*\*\* for instructions

**Column J: Certificate number** - You must enter the tax credit certificate number received from the agency or organization that awarded the tax credit except claims for the following:

- 52 Biodiesel Blended Fuel Tax Credit
- 53 Claim of Right Tax Credit
- 55 E85 Gasoline Promotion Tax Credit
- 58 Research Activities Tax Credit
- 64 Ethanol Promotion Tax Credit (only for amounts received from fiscal-year pass-through entity from tax year 2020)
- 65 E15 Plus Gasoline Promotion Tax Credit
- 66 Adoption Tax Credit
- 70 Public Safety Officer Moving Expense Tax Credit

**Column K: Current year amount** - Enter the total amount of tax credit you earned directly, were awarded this tax year, or received from a pass-through entity during this tax year. See Part IV below for the definition of pass-through entity. Part IV must be completed if a tax credit is received from a pass-through entity. A refundable tax credit must be claimed in full in the tax year it is earned or the tax year authorized on the tax credit certificate.

#### **Part IV — Pass-through entity information from Schedule K-1**

Businesses that are organized as pass-through entities (partnerships, limited liability companies, S corporations, estates, and trusts) earn tax credits at the entity level, but the tax credits are claimed by individuals and businesses that are members of the ownership group. Pass-through entities report these tax credits on the IA Schedule K-1 provided to each member. For each line in Part I or Part II with a tax credit received from a pass-through entity, complete a corresponding line in Part IV to indicate the entity that was awarded or earned the credits.

**Column L: Line number** - Enter the line number from Part I or Part II that includes tax credits received from a pass-through entity. This includes any carryforward (column C) claimed from tax credits received in prior years from a pass-through entity.

**Column M: Pass-through entity legal name** - Enter the name of the pass-through entity from which tax credits were received.

**Column N: Pass-through entity FEIN** - Enter the Federal Employer Identification Number (FEIN) of the pass-through entity from which tax credits were received. This FEIN should be the same

number provided to the awarding agency or organization. It also should be the same FEIN used to complete any required information returns (such as the IA 1065 and Schedule K-1 for partnerships).

**Column O: Disregarded entity FEIN** - If the pass-through entity reported the tax credit to your disregarded entity, enter the FEIN of your disregarded entity. A disregarded entity is an entity that is treated as wholly owned by you and disregarded as a separate entity for federal income tax purposes. If an entity is disregarded as a separate entity for federal income tax purposes, it is also disregarded as a separate entity for Iowa income tax purposes. The owner of a disregarded entity reports the activities of the disregarded entity on the owner's own tax return

#### **Part V – Tax Credit Claim Reduction**

If you are claiming any tax credit listed in Section A (nonrefundable) or Section B (refundable), your tax credit amount is subject to reduction based on your tax liability before it may be claimed. Complete Part V, Section A before completing Part I. Complete Part V, Section B before completing Part II.

#### **Section A. Nonrefundable tax credits**

Before completing columns A through H, enter your “tax liability after specified nonrefundable tax credits” on the appropriate line. This is equal to the following amount reported on your Iowa return:

- Individual: Amount from your IA 1040, line 16.
- Fiduciary: Amount from your IA 1041, line 36.
- Corporation: Amount from your IA 1120, line 14.
- Financial institution: Amount from your IA 1120F, line 12.
- Insurance company: Your Iowa tax due before tax credits from your Iowa Insurance Premiums Tax Form.
- Credit union: Your computed tax from line D of your Credit Union Moneys and Credits Tax Confidential Report.

**Column A: Tax credit code** – Enter the tax credit code 05, 46, or 47, as applicable, for each tax credit subject to reduction. If you have multiple nonrefundable tax credits subject to reduction, enter them in the same order listed in Section A.

**Column B: Certificate number** – Enter the tax credit certificate number you received from the agency that awarded the tax credit. Only tax credit awards from the agreements described in Part V, Section A of the IA 148 are subject to this limitation.

**Column C: Tax liability before claim** – In the first row of column C, enter your tax liability after specified nonrefundable tax credits. In each subsequent row of column C, if applicable, list the remaining amount from the prior row's column E.

**Column D: Tentative tax credit claim** – Enter your total current year tax credit amount available. Do not include carryforward amounts from Part I, column C.

**Column E: Remaining tax liability after tax credit** – For each row, subtract column D from column C. If zero or less, enter zero.

**Column F: Tax credit claim subject to limitation** – For each row, subtract column C from column D. If zero or less, enter zero.

**Column G: Tax credit claim reduction** – For each row, multiply column F by .10 (10%). This represents the amount of your tax credit that cannot be claimed. This amount expires and cannot be carried forward to a future tax year.

**Column H: Allowable tax credit claim** – For each row, subtract column G from column D. Enter the result in the appropriate row of Part I, column D of this IA 148.

### Section B. Refundable tax credits

Before completing columns A through H, enter your "tax liability after nonrefundable tax credits" on the appropriate line. This is equal to the following amount reported on your Iowa return:

- Individual: Amount from your IA 1040, line 18.
- Fiduciary: Amount from your IA 1041, line 38.
- Corporation: Amount from your IA 1120, line 14, minus the amount from your IA 148, Part I total line.
- Financial institution: Amount from your IA 1120F, line 12, minus the amount from your IA 148, Part I total line.
- Insurance company: Your Iowa tax due after nonrefundable tax credits from your Iowa Insurance Premiums Tax Form.
- Credit union: Your computed tax from line D of your Credit Union Moneys and Credits Tax Confidential Report, minus the amount from your IA 148, Part I total line.

**Column A: Tax credit code** – Enter the tax credit code 58, 59, 56, 62, 97, 67, or 51, as applicable, for each tax credit subject to reduction. If you have multiple refundable tax credits subject to reduction, enter them in the same order listed in Section B.

**Column B: Certificate number** – Enter the tax credit certificate number you received from the agency that awarded the tax credit, if applicable. Every research activities tax credit claim (codes 58 and 59) made for a tax year beginning on or after January 1, 2023 is subject to reduction. For other listed tax credits, only tax credit awards from the agreements described in Part V, Section B of the IA 148 are subject to this limitation.

**Column C: Tax liability before claim** – In the first row of column C, enter your tax liability after nonrefundable tax credits. In each subsequent row of column C, if applicable, list the remaining amount from the prior row's column E.

**Column D: Tentative tax credit claim** – Enter your total current year tax credit amount available.

**Column E: Remaining tax liability after tax credit** – For each row, subtract column D from column C. If zero or less, enter zero.

**Column F: Tax credit claim subject to limitation** – For each row, subtract column C from column D. If zero or less, enter zero.

**Column G: Tax credit claim reduction** – For tax credit code 58 (Research Activities Tax Credit), multiply the appropriate row in column F by .20 (20%). For all other tax applicable tax credit codes, multiply the appropriate row in column F by .10 (10%). This represents the amount of your tax credit that cannot be claimed. This amount expires and cannot be carried forward to a future tax year.

**Column H: Allowable tax credit claim** – For each row, subtract column G from column D. Enter the result in the appropriate row of Part I, column D of this IA 148.

### Other important information – eligible tax credit claims by tax type

The list of tax credits included in the instructions for Part I, column A, and Part II, column I, include tax credits for all types of taxpayers. The following provides information about what tax credits can be claimed by the various tax types.

**Related to individual income and fiduciary tax:** Individuals are allowed to claim all tax credits on the individual income tax return except the Assistive Device Tax Credit.

Fiduciaries are allowed to claim all tax credits on the fiduciary income tax return except the Assistance Device Tax Credit, Adoption Tax Credit, Geothermal Heat Pump Tax Credit, and Public Safety Officer Moving Expense Tax Credit.

**Related to corporation income tax:**

All of the tax credits except the Adoption Tax Credit, Claim of Right Tax Credit, Geothermal Heat Pump Tax Credit, Public Safety Officer Moving Expense Tax Credit, S Corporation Apportionment Tax Credit, Geothermal Tax Credit and refundable Angel Investor Tax Credit FKA Venture Capital - Qualifying Business are allowed to be claimed on corporation income tax returns.

**Related to franchise tax:**

The following nonrefundable tax credits may be claimed against the franchise tax:

- 03 Endow Iowa Tax Credit
- 05 Nonrefundable Historic Preservation Tax Credit
- 06 Housing Investment Tax Credit
- 07 Investment Tax Credit
- 10 Renewable Energy Tax Credit
- 14 Angel Investor Tax Credit FKA Venture Capital - Qualifying Business
- 16 Wind Energy Production Tax Credit
- 21 Redevelopment Tax Credit
- 22 Solar Energy System Tax Credit
- 25 Innovation Fund Tax Credit
- 27 Workforce Housing Investment Tax Credit
- 29 Hoover Presidential Library Tax Credit
- 30 Employer Child Care Tax Credit
- 46 Third Party Developer Tax Credit
- 47 Third Party Developer Tax Credit for racks, shelving, and conveyor equipment

The following refundable tax credits may be claimed against the franchise tax:

- 56 Historic Preservation Tax Credit
- 62 Third Party Developer Tax Credit
- 97 Third Party Developer Tax Credit for racks, shelving, and conveyor equipment

**Related to insurance premium tax:**

The following nonrefundable tax credits may be claimed against the insurance premium tax:

- 03 Endow Iowa Tax Credit
- 05 Nonrefundable Historic Preservation Tax Credit
- 06 Housing Investment Tax Credit
- 07 Investment Tax Credit
- 10 Renewable Energy Tax Credit
- 14 Angel Investor Tax Credit FKA Venture Capital - Qualifying Business

- 16 Wind Energy Production Tax Credit
- 21 Redevelopment Tax Credit
- 25 Innovation Fund Tax Credit
- 27 Workforce Housing Investment Tax Credit

29 Hoover Presidential Library Tax Credit

30 Employer Child Care Tax Credit

46 Third Party Developer Tax Credit

47 Third Party Developer Tax Credit for racks, shelving, and conveyor equipment

The following refundable tax credits may be claimed against the insurance premium tax:

56 Historic Preservation Tax Credit

62 Third Party Developer Tax Credit

97 Third Party Developer Tax Credit for racks, shelving, and conveyor equipment

Tax credits available to be claimed against the insurance premium tax can be applied against the portion of the insurance premium tax related to the retaliatory tax set forth in Iowa Code section 505.14.

**Related to moneys and credits tax:**

The following nonrefundable tax credits may be claimed against the moneys and credits tax:

03 Endow Iowa Tax Credit

07 Investment Tax Credit

14 Angel Investor Tax Credit FKA Venture Capital - Qualifying Business

21 Redevelopment Tax Credit

22 Solar Energy System Tax Credit

25 Innovation Fund Tax Credit

27 Workforce Housing Investment Tax Credit

29 Hoover Presidential Library Tax Credit

30 Employer Child Care Tax Credit

46 Third Party Developer Tax Credit

47 Third Party Developer Tax Credit for racks, shelving, and conveyor equipment

The following refundable tax credits may be claimed against the moneys and credits tax:

62 Third Party Developer Tax Credit

97 Third Party Developer Tax Credit for racks, shelving, and conveyor equipment

To make a claim against moneys and credits tax, submit the completed IA 148 Iowa Tax Credits Schedule to the Department of Revenue at the same time that the Credit Union Moneys and Credits Tax Confidential Report is submitted. Both the report and the schedule must be submitted electronically at [govconnect.iowa.gov](http://govconnect.iowa.gov).

**Table 1 — Nonrefundable Tax Credit Carryforward Periods**

<b>Tax credit code and tax credit name</b>	<b>Carryforward period</b>	<b>Any unclaimed tax credits issued in the listed year will expire this tax year</b>
03 Endow Iowa Tax Credit	5 years	2019
04 Franchise Tax Credit	No carryforward	2024
05 Nonrefundable Historic Preservation Tax Credit	5 years	2019
06 Housing Investment Tax Credit	7 years	2017
07 Investment Tax Credit	7 years	2017
08 New Jobs Tax Credit	10 years	2014
10 Renewable Energy Tax Credit	7 years	2017
11 S Corporation Apportionment Tax Credit	No carryforward	2024
12 School Tuition Organization Tax Credit	5 years	2019
14 Angel Investor Tax Credit FKA Venture Capital - Qualifying Business	5 years (for investments made before July 2, 2015)	2019
	3 years (for investments made July 2, 2015 or later)	2021
16 Wind Energy Production Tax Credit	7 years	2017
17 Agricultural Assets Transfer Tax Credit	10 years	2014
17 Beginning Farmer Tax Credit	10 years	NA
20 Charitable Conservation Contribution Tax Credit	20 years	NA
21 Redevelopment Tax Credit	5 years	2019
22 Solar Energy System Tax Credit	10 years	2014
23 Geothermal Heat Pump Tax Credit	10 years	2014
24 Custom Farming Contract Tax Credit	10 years	2014
25 Innovation Fund Tax Credit	5 years	2019
26 Farm to Food Donation Tax Credit	5 years	2019
27 Workforce Housing Investment Tax Credit	5 years	2019
28 Geothermal Tax Credit	10 years	NA
29 Hoover Presidential Library Tax Credit	5 years	NA
30 Employer Child Care Tax Credit	5 years	NA
46 Third Party Developer Tax Credit	7 years	2017
47 Third Party Developer Tax Credit for racks, shelving, and conveyor equipment	7 years	2017