

**Iowa New Jobs Tax Credit Worksheet**

Name(s)	SSN or FEIN	Number of New Jobs
1. Qualifying taxable wages for eligible new employees. See instructions.....		1. _____
2. Tax credit rate is 6.0%.....		2. <u>        x 0.06        </u>
3. Iowa New Jobs Tax Credit. Multiply line 1 by line 2. Enter on Part I of the IA 148 Tax Credits Schedule.....		3. _____

**Instructions**

A New Jobs Tax Credit can be taken by a business that has entered into a chapter 260E agreement with a community college, and that has increased its base employment level by at least 10% within the time set in the agreement. In the case of a business without a base employment level, if the business adds new jobs within the time set in the agreement, it is entitled to a New Jobs Tax Credit for the tax year selected by the business. In determining if the business has increased its base employment level by 10%, only those new jobs directly resulting from the project covered by the agreement can be counted.

The credit can be taken in any tax year that either begins or ends during the term of the 260E agreement. However, the credit may not be taken until the base employment level has been exceeded by 10%. 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.

**Line 1: Qualifying taxable wages** - For 2014, qualifying taxable wages are the first \$26,800 wages paid to an employee. This is the amount of taxable wages on which an employer is required to pay unemployment taxes for employees in new jobs or employees in jobs

directly related to those new jobs.

**Line 3: Iowa New Jobs Tax Credit** - If the taxpayer is a C corporation, the amount in Line 3 must be placed in Part I, column D of the IA 148 Tax Credits Schedule, using tax credit code 08. Enter the certificate number assigned to 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 for future tax years or expired credits. Any carryforward from prior year(s) received under the same 260E contract must be placed in column C of the same line on the IA 148.

If the taxpayer is a partnership, LLC, S corporation, estate, or trust, the credit must be allocated to the individual owners in the ratio of each owner's share of the earnings of the entity to the entity's total earnings and reported on Schedule K-1. Members should be directed to report their share the Iowa New Jobs Tax Credit on Part I the IA 148 Tax Credits Schedule, using tax credit code 08, the certificate number assigned to the 260E agreement, and the pass-through entity name and FEIN in Part IV.

Retain this worksheet for your files. Do not include this with your return.

**IA 148 Tax Credits Schedule must be completed.**