

# IOWA'S EMPLOYEE TRAINING PROGRAMS



## 260.E

industrial new jobs training program

### INDUSTRIAL NEW JOBS TRAINING (260E)

The Industrial New Jobs Training Program provides businesses expanding its Iowa workforce with new employee training funds. Administered by Iowa's 15 community colleges, the program is financed through bonds sold by the colleges. Depending on wages paid, the business then diverts 1.5 or 3% of the Iowa state withholding taxes generated by the new positions to the community college to retire the bonds. Because of this structure, the training is available at essentially no cost, since the bonds are retired with dollars otherwise paid to the state as withholding taxes.

### Employee Eligibility

To qualify for training services, employees

- Must be in newly created positions.
- Must pay Iowa withholding tax.
- Must occupy positions that did not exist during the six months prior to the date the business and community college agreed to pursue a training project.

### Business Eligibility

- Must be located in, or relocating to Iowa.
- Must be engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, assembling products, warehousing, wholesaling, or conducting research and development.
- Service-providing businesses must have customers outside of Iowa.

Cannot have closed or substantially reduced its employment base at any of its other business sites in Iowa in order to relocate substantially the same operation to another area of the state

### New Jobs Tax Credit

In addition to increasing worker productivity and company profitability, businesses participating in the 260E Program may also be eligible for reimbursement up to 50% of the award amount for on-the-job training, as well as a corporate tax credit.

**The Iowa New Jobs Tax Credit** is available to a company that entered into a New Jobs Training Agreement (260E) and expands its Iowa employment base by 10% or more.

The amount of this one-time tax credit depends upon the wages a company pays and the year in which the tax credit is first claimed. The tax credit may be claimed on Form IA 133 found on the Iowa Department of Revenue website: [tax.iowa.gov/forms](https://tax.iowa.gov/forms)

# 260.F

iowa jobs  
training program

## **IOWA JOBS TRAINING PROGRAM (260F)**

The Iowa Jobs Training Program provides job training services to current employees of eligible businesses located in Iowa. Eligible businesses work with the local Iowa community college to assess training needs, determine funds available and to provide training. For participating businesses, the advantages include valuable employee training at a reduced - or no - cost.

### **Business Eligibility**

- Must be located in Iowa.
- Must be engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, assembling products, warehousing, wholesaling, or conducting research and development.
- Service-providing businesses must have customers outside of Iowa.
- Within the 36-month period prior to the date of applying for program services, a business cannot have closed or reduced its employment base by more than 20% at any of its other business sites in Iowa in order to relocate substantially the same operation to another area of the state.

### **Employee Eligibility**

- Must be currently employed by the business.
- Must pay Iowa withholding tax.



# 260.G

accelerated career  
education program

## ACCELERATED CAREER EDUCATION PROGRAM (260G)

The Accelerated Career Education (ACE) program is designed to provide businesses with an enhanced, skilled workforce. ACE assists Iowa's community colleges to either establish or expand programs that train individuals in the occupations most needed by Iowa businesses.

- Businesses enter into an agreement with a community college to sponsor a portion or all of the positions created by establishing a new or expanding a current educational program.
- By sponsoring the educational program, a company agrees to consider the student for employment upon completion of the respective training.



- Businesses must assist with program design and provide a 20% match of the program costs, pro-rated by the percentage of positions sponsored.
- Businesses that enter into an agreement with a community college offset the costs of the program through tax benefits.

### Business Eligibility

- Eligible businesses will be engaged in interstate or intrastate commerce for the purpose of:
- Manufacturing, processing or assembling products
- Construction
- Conducting research and development
- Providing services

## 260 Programs: Contact Us

Contact Kevin Eppens, IWD 260 Program Manager, for questions or next steps on the 260 programs.

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