



Iowa Workforce
Development

260E



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. 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.

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.

For questions or next steps on the 260E program, contact:

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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, **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

Equal opportunity employer/program. Accommodations are available upon request:

workforce.iowa.gov/accessibility