IOWA | 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. Businesses divert a portion of the payroll taxes paid by employees to the community college, and the college uses those funds to repay the bonds. Employees receive credit for having paid their payroll taxes, and the businesses receive money to train those employees in the skills they need to be successful in the new jobs. Participating businesses can also receive reimbursement for a portion of wages paid to employees 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.

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, or conducting research and development.
- Retail, healthcare, and professional services are not eligible to participate.
- 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

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.

Excess credits can be applied to additional tax years in some circumstances. The tax credit may be claimed on Form IA 133 found on the Iowa Department of Revenue website: **tax.iowa.gov/forms**

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

Lauren Siebert
Email: lauren.siebert@iwd.iowa.gov
Phone: 515-725-5422

Equal opportunity employer/program. Accommodations are available upon request: **workforce.iowa.gov/accessibility**