

# STATE BENEFITS

The State of Iowa offers a variety of benefits to new companies coming to the State of Iowa or Iowa companies choosing to expand in Iowa. Some of the key information is:

- Iowa has no inventory tax.
- Iowa has a single-factor corporate income tax that applies only to profits on sales within the state. The effective corporate income tax rate is 6%.
- Sales and Use Taxes
  - Manufacturing Building Materials*  
Some refunds possible with Iowa Department of Economic Development approval
  - Manufacturing Building Labor*  
There is no tax on building labor.
  - Manufacturing Equipment*  
There is no property, sales, or use tax on manufacturing machinery and equipment, or computers directly used in the manufacturing process.
  - Electricity*  
There are no sales or use taxes on electricity used in the manufacturing process.
  - Gas*  
There are no sales or use taxes on gas used in the manufacturing process.
- Economic Development Set Aside Program  
This is federal program with monies funneled through the State of Iowa
- Economic Development Incentives
  - Iowa Values Fund*
  - High Quality Job Creation Program*
  - Iowa New Jobs Training Program*
  - New Jobs Tax Credit*

For more information about state benefits, go to: [www.iowalifechanging.com](http://www.iowalifechanging.com)