



Name(s)	Social Security Number:
Name of Partnership or S Corporation, if applicable	Federal ID Number:
	Number of New Jobs:

1. Qualifying taxable wages for eligible new employees ..... 1. \_\_\_\_\_
2. Calculated credit. Multiply line 1 by 6% (.06)..... 2. \_\_\_\_\_
3. New Jobs Credit Carryforward from prior year(s) ..... 3. \_\_\_\_\_
4. Flow-through Iowa New Jobs Credit from partnership, S corporation, estate or trust ..... 4. \_\_\_\_\_
5. Total Qualifying New Jobs Credit. Add lines 2-4..... 5. \_\_\_\_\_
6. Enter calculated state tax from line 19, IA 1120; or line 11, IA 1120A;  
or line 53, IA 1040; or line 27 (less the credits on lines 28, 29 and 30), IA 1041 ..... 6. \_\_\_\_\_
7. Total allowable Iowa New Jobs Credit. Enter the smaller of line 5 or line 6 and enter on  
Schedule C-1, IA 1120; or on line 13, IA 1120A; or on line 54, IA 1040; or on line 31, IA 1041 . 7. \_\_\_\_\_
8. Total Carryforward Credit to 1999. See instructions. .... 8. \_\_\_\_\_

**Instructions for 1998**

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

The credit is determined by multiplying the qualifying taxable wages of new employees by 6 percent. For purposes of this credit, "qualifying taxable wages" is the amount of taxable wages upon which an employer is required to pay unemployment taxes for employees in new jobs or employees in jobs directly related to those new jobs. For 1998, qualifying taxable wages is the first \$15,700 wages paid to an employee.

The credit can be taken in any tax year which either begins or ends during the period beginning with the date of the agreement and ending with the date the project is to be completed. However, the credit may not be taken until the base employment level has been exceeded by 10 percent. 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.

Any individual, estate, trust, organization or corporation claiming an Iowa New Jobs Credit or any S corporation, partnership, estate or trust that shares the credit among its shareholders, partners, or beneficiaries should attach this form to its Iowa income tax return.

S corporations, partnerships, estates and trusts that share the credit among their shareholders, partners or beneficiaries must show on Schedule K-1 or on an attachment to Schedule K-1 the credit for each shareholder, partner or beneficiary.

**Computation of New Jobs Credit**

**Line 1.** Enter the total amount of qualifying taxable wages for eligible new employees.

**Line 2.** Multiply amount on line 1 by 6 percent (.06).

**Line 3.** Enter amount of New Jobs Credit carryforward from prior year(s).

**Line 4.** If you received flow-through New Jobs Credit(s) from a partnership, S corporation, estate or trust, enter the amount of the credit(s) on this line. You must also include a copy of the IA 133 for the partnership, S corporation, estate or trust as well as a schedule showing the apportionment to individual partners, shareholders or beneficiaries.

**Line 5.** Total of lines 2-4.

**Line 6.** Enter the amount of the appropriate calculated state tax, line 19, IA 1120 (corporation return); line 11, IA 1120A (short form corporation return); line 53, IA 1040 (individual return); or line 27, 1041 (fiduciary return).

**Line 7.** The total allowable Iowa New Jobs Credit is the lesser of the calculated credit from line 5 or the calculated tax from line 6. Enter the lesser of these two amounts here and on Schedule C-1, IA 1120; or on line 13, 1120A; or on line 54, IA 1040; or on line 31, IA 1041.

**Line 8.** If the credit amount of line 5 exceeds the tax liability on line 6, enter the difference here. This is the carryforward credit to 1999.