

Income/Franchise:

Iowa DOR and Governor Announce that Top Corporate Income Tax Rate Will Drop to 7.1% for TY 2024

Press Release, Iowa Dept. of Rev. (9/22/23); *Order 2023-02, Certifying Iowa Corporate Income Tax Rates for 2024 under Iowa Code section 422.33(1)(b)*, Iowa Dept. of Rev. (9/22/23); *Press Release*, Iowa Office of the Governor (9/22/23). Pursuant to legislation enacted last year that permits certain Iowa corporate income tax rate reductions if specified revenue goals are met [see H.F. 2317 (2022), and *State Tax Matters*, Issue 2022-9, for more details on this legislation], the Iowa Department of Revenue announced new Iowa corporate income tax rates effective for tax years beginning on or after January 1, 2024, including a reduced top corporate income tax rate of 7.1%. Similarly, Iowa Governor Reynolds announced that Iowa's top corporate income tax rate will drop to 7.1% from 8.4% for tax year (TY) 2024, "which was not projected to happen until later than TY 2027." Please contact us with any questions.

URL: <https://tax.iowa.gov/idr-releases-tax-guidance-iowa-corporate-income-tax-rate-changes-2024>

URL: <https://tax.iowa.gov/sites/default/files/2023-09/Order2023-02.pdf>

URL: <https://governor.iowa.gov/press-release/2023-09-22/governor-reynolds-announces-drop-corporate-tax-rate-second-year-row>

URL: <https://www.legis.iowa.gov/legislation/BillBook?ga=89&ba=HF%202317>

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2022/STM/220304_5.html

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