



Department of Revenue

Kim Reynolds, Governor

Mary Mosiman, Director

Order 2024-01, Certifying Iowa Corporate Income Tax Rates for 2025 under Iowa Code section 422.33(1)(b)

I. Certification of Iowa Corporate Income Tax Rates for Tax Years Beginning On or After January 1, 2025.

Iowa Code section 422.33(1)(b) provides for a possible reduction in corporate income tax rates if a certain threshold is met. If the Department of Management determines that net corporate income tax receipts exceeded \$700 million for the immediately preceding fiscal year, the Department of Revenue will calculate what corporate income tax rates would have generated \$700 million in net corporate income tax receipts in that fiscal year. Those rates will then apply to tax years beginning on or after the next January 1. This process will continue until the corporate income tax rate is 5.5% for all corporate taxable income. All rates as determined by the Department of Revenue must be rounded down to the nearest 1/10th of 1 percent.

On September 27, 2024 the Department of Management determined that the net corporate income tax receipts for fiscal year 2024 were **\$661,085,765.72**. The statutory threshold for recalculating the corporate income tax rates has not been met. The Iowa corporate income tax rates for tax years beginning in 2025 will remain the same as for tax years beginning in 2024. The Iowa corporate income tax rates for tax years beginning on or after January 1, 2025 are as follows:

Bracket	Tax Rate
\$0- \$25,000	5.5%
\$25,001- \$100,000	5.5%
\$100,001- \$250,000	7.1%
> \$250,000	7.1%

The Director hereby certifies that the rates described above are correctly computed as required by Iowa Code section 422.33(1)(b) and shall apply for tax years beginning on or after January 1, 2024, including tax years beginning in 2025.

Issued at Des Moines, Iowa on this 15th day of October, 2024.

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By Mary Mosiman
Mary Mosiman, Director