

Effective 5/12/2015

Superseded 5/10/2016

59-10-1107 Refundable economic development tax credit.

- (1) As used in this section:
 - (a) "Business entity" means a claimant, estate, or trust that meets the definition of "business entity" as defined in Section 63N-2-103.
 - (b) "Office" means the Governor's Office of Economic Development.
- (2) Subject to the other provisions of this section, a business entity may claim a refundable tax credit for economic development.
- (3) The tax credit under this section is the amount listed as the tax credit amount on the tax credit certificate that the office issues to the business entity for the taxable year.
- (4)
 - (a) In accordance with any rules prescribed by the commission under Subsection (4)(b), the commission shall make a refund to a business entity that claims a tax credit under this section if the amount of the tax credit exceeds the business entity's tax liability for a taxable year.
 - (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules providing procedures for making a refund to a business entity as required by Subsection (4)(a).
- (5)
 - (a) On or before October 1, 2013, and every five years after October 1, 2013, the Revenue and Taxation Interim Committee shall study the tax credit allowed by this section and make recommendations to the Legislative Management Committee concerning whether the tax credit should be continued, modified, or repealed.
 - (b) For purposes of the study required by this Subsection (5), the office shall provide the following information to the Revenue and Taxation Interim Committee:
 - (i) the amount of tax credit the office grants to each taxpayer for each calendar year;
 - (ii) the criteria the office uses in granting a tax credit;
 - (iii) the new state revenues generated by each taxpayer for each calendar year;
 - (iv) the information contained in the office's latest report to the Legislature under Section 63N-2-106; and
 - (v) any other information that the Revenue and Taxation Interim Committee requests.
 - (c) The Revenue and Taxation Interim Committee shall ensure that its recommendations under Subsection (5)(a) include an evaluation of:
 - (i) the cost of the tax credit to the state;
 - (ii) the purpose and effectiveness of the tax credit; and
 - (iii) the extent to which the state benefits from the tax credit.