

**Effective 5/13/2014**

**Renumbered 5/12/2015**

**63M-1-3402 Definitions.**

As used in this part:

- (1) "Agreement" means an agreement described in Section 63M-1-3403.
- (2) "Commission" means the Utah State Tax Commission.
- (3) "Community development and renewal agency" has the same meaning as defined in Section 17C-1-102.
- (4) "Eligibility period" means:
  - (a) the period that:
    - (i) begins the date construction of a qualified hotel begins; and
    - (ii) ends:
      - (A) for purposes of the state portion, 20 years after the date of initial occupancy of that qualified hotel; or
      - (B) for purposes of the local portion, 25 years after the date of initial occupancy of that hotel; or
  - (b) as provided in an agreement between the office and a qualified hotel owner or host local government, a period that:
    - (i) begins no earlier than the date construction of a qualified hotel begins; and
    - (ii) is shorter than the period described in Subsection (4)(a).
- (5) "Endorsement letter" means a letter:
  - (a) from the county in which a qualified hotel is located or is proposed to be located;
  - (b) signed by the county executive; and
  - (c) expressing the county's endorsement of a developer of a qualified hotel as meeting all the county's criteria for receiving the county's endorsement.
- (6) "Host agency" means the community development and renewal agency of the host local government.
- (7) "Host local government" means:
  - (a) a county that enters into an agreement with the office for the construction of a qualified hotel within the unincorporated area of the county; or
  - (b) a city or town that enters into an agreement with the office for the construction of a qualified hotel within the boundary of the city or town.
- (8) "Hotel property" means a qualified hotel and any property that is included in the same development as the qualified hotel, including convention, exhibit, and meeting space, retail shops, restaurants, parking, and other ancillary facilities and amenities.
- (9) "Incremental property tax revenue" means the amount of property tax revenue generated from hotel property that equals the difference between:
  - (a) the amount of property tax revenue generated in any tax year by all taxing entities from hotel property, using the current assessed value of the hotel property; and
  - (b) the amount of property tax revenue that would be generated that tax year by all taxing entities from hotel property, using a base taxable value of the hotel property as established by the county in which the hotel property is located.
- (10) "Local portion" means:
  - (a) the portion of new tax revenue that is not the state portion; and
  - (b) incremental property tax revenue.
- (11) "New tax revenue" means:

- (a) all new revenue generated from a tax under Title 59, Chapter 12, Sales and Use Tax Act, on transactions occurring during the eligibility period as a result of the construction of the hotel property, including purchases made by a qualified hotel owner and its subcontractors;
  - (b) all new revenue generated from a tax under Title 59, Chapter 12, Sales and Use Tax Act, on transactions occurring on hotel property during the eligibility period; and
  - (c) all new revenue generated from a tax under Title 59, Chapter 12, Sales and Use Tax Act, on transactions by a third-party seller occurring other than on hotel property during the eligibility period, if:
    - (i) the transaction is subject to a tax under Title 59, Chapter 12, Sales and Use Tax Act; and
    - (ii) the third-party seller voluntarily consents to the disclosure of information to the office, as provided in Subsection 63M-1-3405(1)(b)(i)(E).
- (12) "Public infrastructure" means:
- (a) water, sewer, storm drainage, electrical, telecommunications, and other similar systems and lines;
  - (b) streets, roads, curbs, gutters, sidewalks, walkways, parking facilities, and public transportation facilities; and
  - (c) other buildings, facilities, infrastructure, and improvements that benefit the public.
- (13) "Qualified hotel" means a full-service hotel development constructed in the state on or after July 1, 2014 that:
- (a) requires a significant capital investment;
  - (b) includes at least 85 square feet of convention, exhibit, and meeting space per guest room; and
  - (c) is located within 1,000 feet of a convention center that contains at least 500,000 square feet of convention, exhibit, and meeting space.
- (14) "Qualified hotel owner" means a person who owns a qualified hotel.
- (15) "Review committee" means the independent review committee established under Section 63M-1-3404.
- (16) "Significant capital investment" means an amount of at least \$200,000,000.
- (17) "State portion" means the portion of new tax revenue that is attributable to a tax imposed under Subsection 59-12-103(2)(a)(i)(A).
- (18) "Tax credit" means a tax credit under Section 59-7-616 or 59-10-1110.
- (19) "Tax credit applicant" means a qualified hotel owner or host local government that:
- (a) has entered into an agreement with the office; and
  - (b) pursuant to that agreement, submits an application for the issuance of a tax credit certificate.
- (20) "Tax credit certificate" means a certificate issued by the office that includes:
- (a) the name of the tax credit recipient;
  - (b) the tax credit recipient's taxpayer identification number;
  - (c) the amount of the tax credit authorized under this part for a taxable year; and
  - (d) other information as determined by the office.
- (21) "Tax credit recipient" means a tax credit applicant that has been issued a tax credit certificate.
- (22) "Third-party seller" means a person who is a seller in a transaction:
- (a) occurring other than on hotel property;
  - (b) that is:
    - (i) the sale, rental, or lease of a room or of convention or exhibit space or other facilities on hotel property; or
    - (ii) the sale of tangible personal property or a service that is part of a bundled transaction, as defined in Section 59-12-102, with a sale, rental, or lease described in Subsection (22)(b)(i); and

(c) that is subject to a tax under Title 59, Chapter 12, Sales and Use Tax Act.