

Effective 5/13/2014

Renumbered 5/12/2015

63M-1-3403 Agreement for development of new convention hotel -- Tax credit authorized -- Agreement requirements.

- (1) The office, with the board's advice, may enter into an agreement with a qualified hotel owner or a host local government:
 - (a) for the development of a qualified hotel; and
 - (b) to authorize a tax credit:
 - (i) to the qualified hotel owner or host local government, but not both;
 - (ii) for a period not to exceed the eligibility period;
 - (iii) if:
 - (A) the county in which the qualified hotel is proposed to be located has issued an endorsement letter endorsing the qualified hotel owner; and
 - (B) all applicable requirements of this part and the agreement are met; and
 - (iv) that is reduced by \$1,900,000 per year during the first two years of the eligibility period, as described in Subsection (2)(c).
- (2) An agreement shall:
 - (a) specify the requirements for a tax credit recipient to qualify for a tax credit;
 - (b) require compliance with the terms of the endorsement letter issued by the county in which the qualified hotel is proposed to be located;
 - (c) require the amount of a tax credit listed in a tax credit certificate issued during the first two years of the eligibility period to be reduced by \$1,900,000 per year;
 - (d) with respect to the state portion of any tax credit that the tax credit recipient may receive during the eligibility period:
 - (i) specify the maximum dollar amount that the tax credit recipient may receive, subject to a maximum of:
 - (A) for any taxable year, the amount of the state portion of new tax revenue in that taxable year; and
 - (B) \$75,000,000 in the aggregate for any tax credit recipient during an eligibility period, calculated as though the two \$1,900,000 reductions of the tax credit amount under Subsection (1)(b)(iv) had not occurred; and
 - (ii) specify the maximum percentage of the state portion of new tax revenue that may be used in calculating a tax credit that a tax credit recipient may receive during the eligibility period for each taxable year and in the aggregate;
 - (e) establish a shorter period of time than the period described in Subsection 63M-1-3402(5)
 - (a) during which the tax credit recipient may claim a tax credit or that the host agency may be paid incremental property tax revenue, if the office and qualified hotel owner or host local government agree to a shorter period of time;
 - (f) require the tax credit recipient to retain books and records supporting a claim for a tax credit as required by Section 59-1-1406;
 - (g) allow the transfer of the agreement to a third party if the third party assumes all liabilities and responsibilities in the agreement;
 - (h) limit the expenditure of funds received under a tax credit as provided in Section 63M-1-3412; and
 - (i) require the tax credit recipient to submit to any audit the office considers appropriate for verification of any tax credit or claimed tax credit.