



# House of Representatives *State of Utah*

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January 22, 2008

Mr. Speaker:

The Revenue and Taxation Committee reports a favorable recommendation on **H.B. 52**, RESEARCH ACTIVITIES TAX CREDITS AMENDMENTS, by Representative J. Dougall, with the following amendments:

1. *Page 2, Lines 37 through 45:*

37 (1) (a) A taxpayer meeting the requirements of this section may claim the following  
38 nonrefundable tax credits:

39 (i) a research tax credit of ~~{7%}~~ 5% of the taxpayer's qualified research  
40 expenses for the

41 current taxable year that exceed the base amount provided for under Subsection (4);

42 (ii) a tax credit for ~~[payments]~~ a payment to a qualified ~~[organizations]~~ organization  
43 for

44 basic research as provided in Section 41(e), Internal Revenue Code, of ~~{7%}~~ 5%  
45 for the current

46 taxable year that exceed the base amount provided for under Subsection (4); and

47 (iii) a tax credit equal to ∴

(A) for the taxable year beginning on or after January 1, 2008, but beginning on  
or before December 31, 2008, 5% of the taxpayer's qualified research expenses for the

48 current taxable year ~~{7}~~ ∴

(B) for the taxable year beginning on or after January 1, 2009, but beginning on  
or before December 31, 2009, 6.3% of the taxpayer's qualified research expenses for  
the current taxable year; or

(C) for taxable years beginning on or after January 1, 2010, 9.2% of the  
taxpayer's qualified research expenses for the current taxable year.

2. *Page 8, Lines 223 through 232:*

223 (1) (a) A claimant, estate, or trust meeting the requirements of this section may claim  
224 the following nonrefundable tax credits:

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225 (i) a research tax credit of ~~{7%}~~ 5% of the claimant's, estate's, or trust's  
qualified research  
226 expenses for the current taxable year that exceed the base amount provided for under  
227 Subsection (3);  
228 (ii) a tax credit for ~~payments~~ a payment to a qualified ~~organizations~~ organization  
for  
229 basic research as provided in Section 41(e), Internal Revenue Code of ~~{7%}~~ 5%  
for the current  
230 taxable year that exceed the base amount provided for under Subsection (3); and  
231 (iii) a tax credit equal to :  
(A) for the taxable year beginning on or after January 1, 2008, but beginning on  
or before December 31, 2008, 5% of the claimant's, estate's, or trust's qualified research  
232 expenses for the current taxable year {·} :  
= (B) for the taxable year beginning on or after January 1, 2009, but beginning on  
or before December 31, 2009, 6.3% of the claimant's, estate's, or trust's qualified  
research expenses for the current taxable year; or  
(C) for taxable years beginning on or after January 1, 2010, 9.2% of the  
claimant's, estate's, or trust's qualified research expenses for the current taxable  
year.

Respectfully,

John Dougall  
Committee Chair

Voting: 12-0-3

3 HB0052.HC1.WPD 1/22/08 9:50 am bhowe/BRH RLR/BRH

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