

**Senator Stephanie Pitcher** proposes the following substitute bill:

**LAWN EQUIPMENT TAX CREDIT AMENDMENTS**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Stephanie Pitcher**

House Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill creates a nonrefundable income tax credit for sales of new, electric-powered lawn equipment.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
  - ▶ enacts a nonrefundable income tax credit for sellers that sell new, electric-powered lawn equipment at a discount to a commercial purchaser;
  - ▶ schedules the repeal of the tax credit but requires legislative review before repeal;
- and
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides retrospective operation.

**Utah Code Sections Affected:**

AMENDS:

**63I-1-259**, as last amended by Laws of Utah 2023, Chapter 52



26 ENACTS:

27 [59-7-627](#), Utah Code Annotated 1953

28 [59-10-1048](#), Utah Code Annotated 1953

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30 *Be it enacted by the Legislature of the state of Utah:*

31 Section 1. Section [59-7-627](#) is enacted to read:

32 **[59-7-627](#). Nonrefundable tax credit for seller of electric lawn equipment.**

33 (1) As used in this section:

34 (a) "Commercial purchaser" means a person that:

35 (i) uses lawn equipment primarily for the operation of a business; and

36 (ii) is incorporated in a county within the state that is in a nonattainment area status as  
37 classified by the EPA's 8-Hour Ozone (2015) National Ambient Air Quality Standards.

38 (b) "Discount" means the subtraction of 30% or more off of the purchase price for  
39 which a seller normally offers an item of lawn equipment for purchase to a commercial  
40 purchaser.

41 (c) "Lawn equipment" means a chainsaw, an edger, a lawn mower, a leaf blower, a leaf  
42 vacuum, a trimmer, or a snowblower.

43 (d) "Purchase price" means the same as that term is defined in Section [59-12-102](#).

44 (e) "Retail sale" means the same as that term is defined in Section [59-12-102](#).

45 (2) For a taxable year beginning before January 1, 2027, a taxpayer may claim a  
46 nonrefundable tax credit equal to 30% of the purchase price for all retail sales of new,  
47 electric-powered lawn equipment that the taxpayer sold at a discount to a commercial  
48 purchaser during the taxable year.

49 (3) (a) A taxpayer may carry forward, to the next five taxable years, the amount of the  
50 tax credit that exceeds the taxpayer's tax liability for the taxable year.

51 (b) A taxpayer may not carry back the amount of the tax credit that exceeds the  
52 taxpayer's tax liability for the taxable year.

53 (4) Lawn equipment is sold within the state if the taxpayer sources the sale to the state  
54 in accordance with Sections [59-12-211](#) through [59-12-215](#).

55 Section 2. Section [59-10-1048](#) is enacted to read:

56 **[59-10-1048](#). Nonrefundable tax credit for seller of electric lawn equipment.**

57 (1) As used in this section:

58 (a) "Commercial purchaser" means the same as that term is defined in Section  
59 59-7-627.

60 (b) "Discount" means the same as that term is defined in Section 59-7-627.

61 (c) "Lawn equipment" means the same as that term is defined in Section 59-7-627.

62 (d) "Purchase price" means the same as that term is defined in Section 59-12-102.

63 (e) "Retail sale" means the same as that term is defined in Section 59-12-102.

64 (2) For a taxable year beginning before January 1, 2027, a claimant may claim a  
65 nonrefundable tax credit equal to 30% of the purchase price for all retail sales of new,  
66 electric-powered lawn equipment that the claimant sold at a discount to a commercial  
67 purchaser during the taxable year.

68 (3) (a) A claimant may carry forward, to the next five taxable years, the amount of the  
69 tax credit that exceeds the claimant's tax liability for the taxable year.

70 (b) A claimant may not carry back the amount of the tax credit that exceeds the  
71 claimant's tax liability for the taxable year.

72 (4) Lawn equipment is sold within the state if the claimant sources the sale to the state  
73 in accordance with Sections 59-12-211 through 59-12-215.

74 Section 3. Section **63I-1-259** is amended to read:

75 **63I-1-259. Repeal dates: Title 59.**

76 (1) Section 59-1-213.1 is repealed May 9, 2024.

77 (2) Section 59-1-213.2 is repealed May 9, 2024.

78 (3) Subsection 59-1-403(4)(aa), which authorizes the State Tax Commission to inform  
79 the Department of Workforce Services whether an individual claimed a federal earned income  
80 tax credit, is repealed July 1, 2029.

81 (4) Subsection 59-1-405(1)(g) is repealed May 9, 2024.

82 (5) Subsection 59-1-405(2)(b) is repealed May 9, 2024.

83 (6) Section 59-7-618.1 is repealed July 1, 2029.

84 (7) Section 59-7-627 is repealed December 31, 2027.

85 [~~7~~] (8) Section 59-9-102.5 is repealed December 31, 2030.

86 [~~8~~] (9) Section 59-10-1033.1 is repealed July 1, 2029.

87 (10) Section 59-10-1048 is repealed December 31, 2027.

88 Section 4. **Effective date.**

89 This bill takes effect on May 1, 2024.

90 Section 5. **Retrospective operation.**

91 (1) The following sections have retrospective operation for a taxable year beginning on

92 or after January 1, 2024:

93 (a) Section [59-7-627](#); and

94 (b) Section [59-10-1048](#).