

SB0142S01 compared with SB0142

~~text~~ shows text that was in SB0142 but was deleted in SB0142S01.

inserted text shows text that was not in SB0142 but was inserted into SB0142S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

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: _____

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~~;~~

~~requires a seller that intends to claim the tax credit to report information about sales to the State Tax Commission;~~

~~to a commercial purchaser;~~

- ▶ schedules the repeal of the tax credit but requires legislative review before repeal;

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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

ENACTS:

~~{ 59-1-214, Utah Code Annotated 1953~~

+ 59-7-627, Utah Code Annotated 1953

59-10-1048, Utah Code Annotated 1953

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

Section 1. Section ~~{59-1-214}~~; 59-7-627 is enacted to read:

~~{59-1-214}~~; 59-7-627. ~~{ Reporting}~~ **Nonrefundable tax credit for seller of electric lawn equipment**~~{ sales}~~.

(1) As used in this section:

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

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

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

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

~~{b}~~c "Lawn equipment" means a chainsaw, an edger, a lawn mower, a leaf blower, a leaf vacuum, a trimmer, or a snowblower.

~~{c}~~d "Purchase price" ~~{~~ means the same as that term is defined in Section 59-12-102.

~~—~~ ~~{d}~~ "Retail sale" means the same as that term is defined in Section 59-12-102.

~~—~~ (2) A seller of lawn equipment that intends to claim a tax credit described in Section

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~~59-7-627 or 59-10-1048 shall report to the commission annually, on or before the due date, not including extensions, for filing an income tax return for the previous taxable year:~~

~~—— (a) identifying information of the seller;~~

~~—— (b) the aggregate purchase price for all retail sales in the state of new, electric-powered lawn equipment sold by the seller at a discount during the previous taxable year; and~~

~~—— (c) a certification that the seller included only the purchase price of new, electric-powered lawn equipment:~~

~~—— (i) that is sold within the state; and~~

~~—— (ii) for which the purchaser received a discount.~~

~~—— (3) Lawn equipment is sold within the state if the seller sources the sale to the state in accordance with Sections 59-12-211 through 59-12-215.~~

~~—— (4) The commission shall report the information reported in accordance with Subsection (2)(b), by taxable year, for all sellers that are eligible to claim a tax credit described in Section 59-7-627 or 59-10-1048 to the committee assigned to complete the review required by Section 63I-1-259.~~

~~—— Section 2. Section 59-7-627 is enacted to read:~~

~~—— **59-7-627. Nonrefundable tax credit for seller of electric lawn equipment.**~~

~~—— (1) As used in this section:~~

~~—— (a) "Discount}" means the same as that term is defined in Section {59-1-214}59-12-102.~~

~~{ —— (b) "Lawn equipment" means the same as that term is defined in Section 59-1-214.~~

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

~~—— (d) "Qualifying taxpayer" means a taxpayer that complies with the requirements described in Section 59-1-214.~~

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

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

~~(3) (a) A {qualifying }taxpayer may carry forward, to the next five taxable years, the amount of the tax credit that exceeds the {qualifying } taxpayer's tax liability for the taxable~~

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year.

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

(4) Lawn equipment is sold within the state if the {qualifying} taxpayer sources the sale to the state in accordance with Sections 59-12-211 through 59-12-215.

Section ~~{3}~~2. Section **59-10-1048** is enacted to read:

59-10-1048. Nonrefundable tax credit for seller of electric lawn equipment.

(1) As used in this section:

(a) "{Discount}Commercial purchaser" means the same as that term is defined in Section ~~{59-1-214}~~59-7-627.

(b) "{Lawn equipment}Discount" means the same as that term is defined in Section ~~{59-1-214}~~59-7-627.

(c) "{Purchase price}Lawn equipment" means the same as that term is defined in Section ~~{59-12-102}~~59-7-627.

(d) "{Qualifying claimant} means a claimant, estate, or trust that complies with the requirements described}{Purchase price} means the same as that term is defined in Section ~~{59-1-214}~~59-12-102.

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

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

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

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

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

Section ~~{4}~~3. Section **63I-1-259** is amended to read:

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

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

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

~~{ (3) Section 59-1-214 is repealed December 31, 2027. }~~

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

~~{ (4) (5) }~~ Subsection 59-1-405(1)(g) is repealed May 9, 2024.

~~{ (5) (6) }~~ Subsection 59-1-405(2)(b) is repealed May 9, 2024.

~~{ (6) (7) }~~ Section 59-7-618.1 is repealed July 1, 2029.

~~{ (8) (7) }~~ Section 59-7-627 is repealed December 31, 2027.

~~{ (7) (9) (8) }~~ Section 59-9-102.5 is repealed December 31, 2030.

~~{ (8) (10) (9) }~~ Section 59-10-1033.1 is repealed July 1, 2029.

~~{ (11) (10) }~~ Section 59-10-1048 is repealed December 31, 2027.

Section ~~{ 5 } 4~~. **Effective date.**

This bill takes effect on May 1, 2024.

Section ~~{ 6 } 5~~. **Retrospective operation.**

(1) The following sections have retrospective operation for a taxable year beginning on or after January 1, 2024:

(a) Section 59-7-627 ~~{, effective May 1, 2024}~~; and

(b) Section 59-10-1048 ~~{, effective May 1, 2024}~~.