

HB0378S03 compared with HB0378S01

~~{Omitted text}~~ shows text that was in HB0378S01 but was omitted in HB0378S03
inserted text shows text that was not in HB0378S01 but was inserted into HB0378S03

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.

Department of Natural Resources Funding Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Casey Snider

Senate Sponsor: Michael K. McKell

LONG TITLE

General Description:

This bill addresses revenue and expenditures related to funding state accounts within the Department of Natural Resources.

Highlighted Provisions:

This bill:

- requires counties to remit to the state money calculated based on certain new transmission facilities for deposit into the Species Protection Account;
- expands resources to be deposited into the Species Protection Account;
- requires reporting by the Division of Wildlife Resources and a study by the Office of Energy Development;
- addresses the payment of a tax on gross receipts of a radioactive waste facility derived from the disposal of concentrated depleted uranium and containerized waste, including having certain revenue be deposited into the Species Protection Account;
- imposes a tax related to certain wind or solar electric generation facilities to be deposited into the Species Protection Account;

HB0378S01

HB0378S01 compared with HB0378S03

17 ▸ {~~addresses the effect of certain taxes on ratepayers;~~}

19 ▸ imposes an assessment on renewable energy parent entities to be deposited into the Species Protection Account;

21 ▸ modifies calculation of centrally assessed new growth;

22 ▸ requires counties to remit to the state a portion of centrally assessed new growth for deposit into the Species Protection Account;

18 ▸ authorizes rulemaking; and

19 ▸ makes technical and conforming amendments.

26 **Money Appropriated in this Bill:**

27 None

28 **Other Special Clauses:**

29 This bill provides a special effective date.

31 **AMENDS:**

32 **23A-3-214** , as renumbered and amended by Laws of Utah 2024, Chapter 88 , as renumbered and amended by Laws of Utah 2024, Chapter 88

33 **59-1-306** , as last amended by Laws of Utah 2024, Chapter 35 , as last amended by Laws of Utah 2024, Chapter 35

34 **59-1-401** , as last amended by Laws of Utah 2024, Chapter 96 , as last amended by Laws of Utah 2024, Chapter 96

35 **59-2-924** , as last amended by Laws of Utah 2024, Chapter 258 , as last amended by Laws of Utah 2024, Chapter 258

36 **59-24-105** , as last amended by Laws of Utah 2003, Chapter 295 , as last amended by Laws of Utah 2003, Chapter 295

37 **63I-2-279** , as last amended by Laws of Utah 2024, Third Special Session, Chapter 5 , as last amended by Laws of Utah 2024, Third Special Session, Chapter 5

38 **79-6-405** , as renumbered and amended by Laws of Utah 2024, Chapter 88 , as renumbered and amended by Laws of Utah 2024, Chapter 88

39 **ENACTS:**

40 **17-56-101** , Utah Code Annotated 1953 , Utah Code Annotated 1953

41 **17-56-201** , Utah Code Annotated 1953 , Utah Code Annotated 1953

42 **17-56-202** , Utah Code Annotated 1953 , Utah Code Annotated 1953

HB0378S01 compared with HB0378S03

59-2-924.5 , Utah Code Annotated 1953 , Utah Code Annotated 1953

59-32-101 , Utah Code Annotated 1953 , Utah Code Annotated 1953

59-32-201 , Utah Code Annotated 1953 , Utah Code Annotated 1953

~~**{59-32-202 , Utah Code Annotated 1953 , Utah Code Annotated 1953}**~~

59-32-301 , Utah Code Annotated 1953 , Utah Code Annotated 1953

59-32-302 , Utah Code Annotated 1953 , Utah Code Annotated 1953

79-6-1101 , Utah Code Annotated 1953 , Utah Code Annotated 1953

79-6-1102 , Utah Code Annotated 1953 , Utah Code Annotated 1953

79-6-1103 , Utah Code Annotated 1953 , Utah Code Annotated 1953

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

Section 1. Section **1** is enacted to read:

17-56-101. Definitions.

56. SPECIES PROTECTION FUNDING ACT

1. General Provisions

As used in this chapter:

(1) "Commission" means the State Tax Commission.

(2) "Contributing business" means a person who is centrally assessed and owns a {new-} **qualifying** transmission line.

(3) { "New- } **Qualifying** transmission line" means an electrical transmission line that {is-constructed or that } first transmits electrical current within the state on or after January 1, 2026, and operates at a nominal voltage of at least {34,000-} **340,000** volts, including structures, equipment, plant, or fixtures associated with the electrical transmission line.

Section 2. Section **2** is enacted to read:

17-56-201. Payments due -- Calculation of payment amount.

2. Payment Obligations

(1)

(a) On or before {October 31-} **March 1** of each year, **and included with the statement of taxpayer required under Section 59-2-202,** the owner of a contributing business shall electronically file with the commission a statement containing the following information, in a manner prescribed by the commission:

HB0378S01 compared with HB0378S03

- 57 (i) the name, description, location, and number of miles of {new-} qualifying transmission line
located within each county, by tax area, in which a {new-} qualifying transmission line is
located as of January 1 of the year of the statement; and
- 59 (ii) any other reasonable and necessary information required by the commission.
- 60 (b) The owner of the contributing business or the owner's designee shall sign and swear to the statement
described in Subsection (1)(a).
- 62 (2)
- (a) On or before November 30 of each year, the commission shall notify each county that contains a
portion of the {new-} qualifying transmission line owned by a contributing business of the amount
calculated in Subsection (2)(b).
- 65 (b) The commission shall calculate an amount for each county by multiplying \$6,400 by the number of
miles of {new-} qualifying transmission line owned by a contributing business that is located within
the county.
- 68 (3) On or before December 31 of each year, the county treasurer of a county notified under Subsection
(2)(a) shall remit the amount calculated under Subsection (2)(b) to the Division of Finance from the
revenue derived from the current year's property taxes.
- 87 Section 3. Section 3 is enacted to read:
- 88 **17-56-202. Deposit into Species Protection Account.**
The Division of Finance shall deposit revenue remitted to the Division of Finance under
this chapter into the Species Protection Account created in Section 23A-3-214.
- 91 Section 4. Section **23A-3-214** is amended to read:
- 92 **23A-3-214. Species Protection Account-- Reporting.**
- 77 (1) There is created within the General Fund a restricted account known as the "Species Protection
Account."
- 79 (2) The [account] Species Protection Account shall consist of:
- 80 (a) revenue remitted by a county to the Division of Finance in accordance with {~~Title 17, Chapter 56,~~
~~Species Protection Funding Act.~~} :
- 97 (i) ~~Title 17, Chapter 56, Species Protection Funding Act; or~~
- 98 (ii) ~~Section 59-2-924.5;~~
- 82 (b) revenue generated by the brine shrimp tax provided for in Title 59, Chapter 23, Brine Shrimp
Royalty Act; [and]

HB0378S01 compared with HB0378S03

- 84 (c) tax revenue deposited into the Species Protection Account in accordance with Section 59-24-105;
86 (d) tax revenue collected in accordance with Title 59, Chapter 32, Wind or Solar Electric Generation
Facility ~~Capacity~~ Tax; { ~~and~~
88 {~~(b)~~}(e) revenue collected in accordance with Title 79, Chapter 6, Part 11, Energy Project
Assessment; and
107 {~~(b)~~}(f) interest earned on money in the [account] Species Protection Account.
89 (3) Money in the [account] Species Protection Account may be appropriated by the Legislature to:
91 (a) develop and implement species status assessments and species protection measures;
92 (b) obtain biological opinions of proposed species protection measures;
93 (c) conduct studies, investigations, and research into the effects of proposed species protection
measures;
95 (d) verify species protection proposals that are not based on valid biological data;
96 (e) implement Great Salt Lake wetlands mitigation projects in connection with the western
transportation corridor;
98 (f) pay for the state's voluntary contributions to the Utah Reclamation Mitigation and Conservation
Account under the Central Utah Project Completion Act, Pub. L. No. 102-575, Titles II-VI, 106
Stat. 4605-4655; and
101 (g) pay for expenses of the State Tax Commission under Title 59, Chapter 23, Brine Shrimp Royalty
Act.
103 (4) The purposes specified in Subsections (3)(a) through (3)(d) may be accomplished by the state or,
in an appropriation act, the Legislature may authorize the department to award grants to political
subdivisions of the state to accomplish those purposes.
106 (5) Money in the [account] Species Protection Account may not be used to develop or implement a
habitat conservation plan required under federal law unless the federal government pays for at least
1/3 of the habitat conservation plan costs.
128 (6) The division shall report to the Natural Resources, Agriculture, and Environmental Quality
Appropriations Subcommittee by no later than November 30, 2026, concerning:
130 (a) the amount of revenue deposited into the Species Protection Account under each revenue source
outlined in Subsection (2); and
132 (b) how the division spent the money deposited.
133 Section 5. Section 59-1-306 is amended to read:

HB0378S01 compared with HB0378S03

59-1-306. Definition -- State Tax Commission Administrative Charge Account -- Amount of administrative charge -- Deposit of revenue into the restricted account -- Interest deposited into General Fund -- Expenditure of money deposited into the restricted account.

(1) As used in this section, "qualifying tax, fee, or charge" means a tax, fee, or charge the commission administers under:

(a) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

(b) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;

(c) Section 19-6-714;

(d) Section 19-6-805;

(e) Chapter 12, Sales and Use Tax Act, other than a tax under Chapter 12, Part 1, Tax Collection, or Chapter 12, Part 18, Additional State Sales and Use Tax Act;

(f) Section 59-27-105;

(g) Chapter 31, Cannabinoid Licensing and Tax Act;

(h) Chapter 32, Wind or Solar Electric Generation Facility Capacity Tax;

~~[(h)]~~ (i) Section 63H-1-205; [or]

~~[(i)]~~ (j) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service Charges[-] ; or

(k) Title 79, Chapter 6, Part 11, Energy Project Assessment.

(2) There is created a restricted account within the General Fund known as the "State Tax Commission Administrative Charge Account."

(3) Subject to the other provisions of this section, the restricted account shall consist of administrative charges the commission retains and deposits in accordance with this section.

(4) For purposes of this section, the administrative charge is a percentage of revenue the commission collects from each qualifying tax, fee, or charge of not to exceed the lesser of:

(a) 1.5%; or

(b) an equal percentage of revenue the commission collects from each qualifying tax, fee, or charge sufficient to cover the cost to the commission of administering the qualifying taxes, fees, or charges.

(5) The commission shall deposit an administrative charge into the restricted account.

(6) Interest earned on the restricted account shall be deposited into the General Fund.

(7) The commission shall expend money appropriated by the Legislature to the commission from the restricted account to administer qualifying taxes, fees, or charges.

Section 6. Section 59-1-401 is amended to read:

HB0378S01 compared with HB0378S03

59-1-401. Definitions -- Offenses and penalties -- Rulemaking authority -- Statute of limitations -- Commission authority to waive, reduce, or compromise penalty or interest.

(1) As used in this section:

(a) "Tax, fee, or charge" means:

(i) a tax, fee, or charge the commission administers under:

(A) this title;

(B) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

(C) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;

(D) Section 19-6-410.5;

(E) Section 19-6-714;

(F) Section 19-6-805;

(G) Section 34A-2-202;

(H) Section 40-6-14; [or]

(I) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service Charges; or

(J) Title 79, Chapter 6, Part 11, Energy Project Assessment; or

(ii) another amount that by statute is subject to a penalty imposed under this section.

(b) "Tax, fee, or charge" does not include a tax, fee, or charge imposed under:

(i) Title 41, Chapter 1a, Motor Vehicle Act, except for Section 41-1a-301;

(ii) Title 41, Chapter 3, Motor Vehicle Business Regulation Act;

(iii) Chapter 2, Property Tax Act, except for Section 59-2-1309;

(iv) Chapter 3, Tax Equivalent Property Act; or

(v) Chapter 4, Privilege Tax.

(2)

(a) The due date for filing a return is:

(i) if the person filing the return is not allowed by law an extension of time for filing the return, the day on which the return is due as provided by law; or

(ii) if the person filing the return is allowed by law an extension of time for filing the return, the earlier of:

(A) the date the person files the return; or

(B) the last day of that extension of time as allowed by law.

HB0378S01 compared with HB0378S03

(b) A penalty in the amount described in Subsection (2)(c) is imposed if a person files a return after the due date described in Subsection (2)(a).

(c) For purposes of Subsection (2)(b), the penalty is an amount equal to the greater of:

(i) \$20; or

(ii)

(A) 2% of the unpaid tax, fee, or charge due on the return if the return is filed no later than five days after the due date described in Subsection (2)(a);

(B) 5% of the unpaid tax, fee, or charge due on the return if the return is filed more than five days after the due date but no later than 15 days after the due date described in Subsection (2)(a); or

(C) 10% of the unpaid tax, fee, or charge due on the return if the return is filed more than 15 days after the due date described in Subsection (2)(a).

(d) This Subsection (2) does not apply to:

(i) an amended return; or

(ii) a return with no tax due.

(3)

(a) Except as provided in Subsection (15), a person is subject to a penalty for failure to pay a tax, fee, or charge if:

(i) the person files a return on or before the due date for filing a return described in Subsection (2)(a), but fails to pay the tax, fee, or charge due on the return on or before that due date;

(ii) the person:

(A) is subject to a penalty under Subsection (2)(b); and

(B) fails to pay the tax, fee, or charge due on a return within a 90-day period after the due date for filing a return described in Subsection (2)(a);

(iii)

(A) the person is subject to a penalty under Subsection (2)(b); and

(B) the commission estimates an amount of tax due for that person in accordance with Subsection 59-1-1406(2);

(iv) the person:

(A) is mailed a notice of deficiency; and

(B) within a 30-day period after the day on which the notice of deficiency described in Subsection (3)(a)(iv)(A) is mailed:

HB0378S01 compared with HB0378S03

- 231 (I) does not file a petition for redetermination or a request for agency action; and
233 (II) fails to pay the tax, fee, or charge due on a return;
234 (v)
(A) the commission:
235 (I) issues an order constituting final agency action resulting from a timely filed petition for
redetermination or a timely filed request for agency action; or
237 (II) is considered to have denied a request for reconsideration under Subsection 63G-4-302(3)(b)
resulting from a timely filed petition for redetermination or a timely filed request for agency
action; and
240 (B) the person fails to pay the tax, fee, or charge due on a return within a 30-day period after the date
the commission:
242 (I) issues the order constituting final agency action described in Subsection (3)(a)(v)(A)(I); or
244 (II) is considered to have denied the request for reconsideration described in Subsection (3)(a)(v)(A)
(II); or
246 (vi) the person fails to pay the tax, fee, or charge within a 30-day period after the date of a final
judicial decision resulting from a timely filed petition for judicial review.
248 (b) For purposes of Subsection (3)(a), the penalty is an amount equal to the greater of:
249 (i) \$20; or
250 (ii)
(A) 2% of the unpaid tax, fee, or charge due on the return if the activated tax, fee, or charge due on the
return is paid no later than five days after the due date for filing a return described in Subsection (2)
(a);
253 (B) 5% of the unpaid tax, fee, or charge due on the return if the activated tax, fee, or charge due on the
return is paid more than five days after the due date for filing a return described in Subsection (2)(a)
but no later than 15 days after that due date; or
257 (C) 10% of the unpaid tax, fee, or charge due on the return if the activated tax, fee, or charge due on the
return is paid more than 15 days after the due date for filing a return described in Subsection (2)(a).
260 (4)
(a) In the case of any underpayment of estimated tax or quarterly installments required by Sections
59-5-107, 59-5-207, 59-7-504, and 59-9-104, there shall be added a penalty in an amount

HB0378S01 compared with HB0378S03

determined by applying the interest rate provided under Section 59-1-402 plus four percentage points to the amount of the underpayment for the period of the underpayment.

(b)

(i) For purposes of Subsection (4)(a), the amount of the underpayment shall be the excess of the required installment over the amount, if any, of the installment paid on or before the due date for the installment.

(ii) The period of the underpayment shall run from the due date for the installment to whichever of the following dates is the earlier:

(A) the original due date of the tax return, without extensions, for the taxable year; or

(B) with respect to any portion of the underpayment, the date on which that portion is paid.

(iii) For purposes of this Subsection (4), a payment of estimated tax shall be credited against unpaid required installments in the order in which the installments are required to be paid.

(5)

(a) Notwithstanding Subsection (2) and except as provided in Subsection (6), a person allowed by law an extension of time for filing a corporate franchise or income tax return under Chapter 7, Corporate Franchise and Income Taxes, or an individual income tax return under Chapter 10, Individual Income Tax Act, is subject to a penalty in the amount described in Subsection (5)(b) if, on or before the day on which the return is due as provided by law, not including the extension of time, the person fails to pay:

(i) for a person filing a corporate franchise or income tax return under Chapter 7, Corporate Franchise and Income Taxes, the payment required by Subsection 59-7-507(1)(b); or

(ii) for a person filing an individual income tax return under Chapter 10, Individual Income Tax Act, the payment required by Subsection 59-10-516(2).

(b) For purposes of Subsection (5)(a), the penalty per month during the period of the extension of time for filing the return is an amount equal to 2% of the tax due on the return, unpaid as of the day on which the return is due as provided by law.

(6) If a person does not file a return within an extension of time allowed by Section 59-7-505 or 59-10-516, the person:

(a) is not subject to a penalty in the amount described in Subsection (5)(b); and

(b) is subject to a penalty in an amount equal to the sum of:

(i) a late file penalty in an amount equal to the greater of:

HB0378S01 compared with HB0378S03

- 297 (A) \$20; or
- 298 (B) 10% of the tax due on the return, unpaid as of the day on which the return is due as provided by
law, not including the extension of time; and
- 300 (ii) a late pay penalty in an amount equal to the greater of:
- 301 (A) \$20; or
- 302 (B) 10% of the unpaid tax due on the return, unpaid as of the day on which the return is due as provided
by law, not including the extension of time.
- 304 (7)
- (a) Additional penalties for an underpayment of a tax, fee, or charge are as provided in this Subsection
(7)(a).
- 306 (i) Except as provided in Subsection (7)(c), if any portion of an underpayment of a tax, fee, or
charge is due to negligence, the penalty is 10% of the portion of the underpayment that is due to
negligence.
- 309 (ii) Except as provided in Subsection (7)(d), if any portion of an underpayment of a tax, fee,
or charge is due to intentional disregard of law or rule, the penalty is 15% of the entire
underpayment.
- 312 (iii) If any portion of an underpayment is due to an intent to evade a tax, fee, or charge, the penalty
is the greater of \$500 per period or 50% of the entire underpayment.
- 315 (iv) If any portion of an underpayment is due to fraud with intent to evade a tax, fee, or charge, the
penalty is the greater of \$500 per period or 100% of the entire underpayment.
- 318 (b) If the commission determines that a person is liable for a penalty imposed under Subsection (7)(a)
(ii), (iii), or (iv), the commission shall notify the person of the proposed penalty.
- 321 (i) The notice of proposed penalty shall:
- 322 (A) set forth the basis of the assessment; and
- 323 (B) be mailed by certified mail, postage prepaid, to the person's last-known address.
- 325 (ii) Upon receipt of the notice of proposed penalty, the person against whom the penalty is proposed
may:
- 327 (A) pay the amount of the proposed penalty at the place and time stated in the notice; or
- 329 (B) proceed in accordance with the review procedures of Subsection (7)(b)(iii).
- 330 (iii) A person against whom a penalty is proposed in accordance with this Subsection (7) may contest
the proposed penalty by filing a petition for an adjudicative proceeding with the commission.

HB0378S01 compared with HB0378S03

- 333 (iv)
- (A) If the commission determines that a person is liable for a penalty under this Subsection (7), the commission shall assess the penalty and give notice and demand for payment.
- 336 (B) The commission shall mail the notice and demand for payment described in Subsection (7)(b)(iv) (A):
- 338 (I) to the person's last-known address; and
- 339 (II) in accordance with Section 59-1-1404.
- 340 (c) A seller that voluntarily collects a tax under Subsection 59-12-107(2)(d) is not subject to the penalty under Subsection (7)(a)(i) if on or after July 1, 2001:
- 342 (i) a court of competent jurisdiction issues a final unappealable judgment or order determining that:
- 344 (A) the seller meets one or more of the criteria described in Subsection 59-12-107(2)(a) or is a seller required to pay or collect and remit sales and use taxes under Subsection 59-12-107(2)(b) or (2)(c); and
- 347 (B) the commission or a county, city, or town may require the seller to collect a tax under Subsections 59-12-103(2)(a) through (e); or
- 349 (ii) the commission issues a final unappealable administrative order determining that:
- 350 (A) the seller meets one or more of the criteria described in Subsection 59-12-107(2)(a) or is a seller required to pay or collect and remit sales and use taxes under Subsection 59-12-107(2)(b) or (2)(c); and
- 353 (B) the commission or a county, city, or town may require the seller to collect a tax under Subsections 59-12-103(2)(a) through (e).
- 355 (d) A seller that voluntarily collects a tax under Subsection 59-12-107(2)(d) is not subject to the penalty under Subsection (7)(a)(ii) if:
- 357 (i)
- (A) a court of competent jurisdiction issues a final unappealable judgment or order determining that:
- 359 (I) the seller meets one or more of the criteria described in Subsection 59-12-107(2)(a) or is a seller required to pay or collect and remit sales and use taxes under Subsection 59-12-107(2)(b) or (2)(c); and
- 362 (II) the commission or a county, city, or town may require the seller to collect a tax under Subsections 59-12-103(2)(a) through (e); or
- 364 (B) the commission issues a final unappealable administrative order determining that:

HB0378S01 compared with HB0378S03

- 366 (I) the seller meets one or more of the criteria described in Subsection 59-12-107(2)(a) or is a seller
required to pay or collect and remit sales and use taxes under Subsection 59-12-107(2)(b) or (2)(c);
and
- 369 (II) the commission or a county, city, or town may require the seller to collect a tax under Subsections
59-12-103(2)(a) through (e); and
- 371 (ii) the seller's intentional disregard of law or rule is warranted by existing law or by a nonfrivolous
argument for the extension, modification, or reversal of existing law or the establishment of new
law.
- 374 (8)
- (a) Subject to Subsections (8)(b) and (c), the penalty for failure to file an information return,
information report, or a complete supporting schedule is \$50 for each information return,
information report, or supporting schedule up to a maximum of \$1,000.
- 378 (b) If an employer is subject to a penalty under Subsection (13), the employer may not be subject to a
penalty under Subsection (8)(a).
- 380 (c) If an employer is subject to a penalty under this Subsection (8) for failure to file a return in
accordance with Subsection 59-10-406(3) on or before the due date described in Subsection
59-10-406(3)(b)(ii), the commission may not impose a penalty under this Subsection (8) unless the
return is filed more than 14 days after the due date described in Subsection 59-10-406(3)(b)(ii).
- 385 (9) If a person, in furtherance of a frivolous position, has a prima facie intent to delay or impede
administration of a law relating to a tax, fee, or charge and files a purported return that fails to
contain information from which the correctness of reported tax, fee, or charge liability can be
determined or that clearly indicates that the tax, fee, or charge liability shown is substantially
incorrect, the penalty is \$500.
- 390 (10)
- (a) A seller that fails to remit a tax, fee, or charge monthly as required by Subsection 59-12-108(1)(a):
- 392 (i) is subject to a penalty described in Subsection (2); and
- 393 (ii) may not retain the percentage of sales and use taxes that would otherwise be allowable under
Subsection 59-12-108(2).
- 395 (b) A seller that fails to remit a tax, fee, or charge by electronic funds transfer as required by Subsection
59-12-108(1)(a)(ii)(B):
- 397 (i) is subject to a penalty described in Subsection (2); and

HB0378S01 compared with HB0378S03

- 398 (ii) may not retain the percentage of sales and use taxes that would otherwise be allowable under
Subsection 59-12-108(2).
- 400 (11)
- (a) A person is subject to the penalty provided in Subsection (11)(c) if that person:
- 401 (i) commits an act described in Subsection (11)(b) with respect to one or more of the following
documents:
- 403 (A) a return;
- 404 (B) an affidavit;
- 405 (C) a claim; or
- 406 (D) a document similar to Subsections (11)(a)(i)(A) through (C);
- 407 (ii) knows or has reason to believe that the document described in Subsection (11)(a)(i) will be used
in connection with any material matter administered by the commission; and
- 410 (iii) knows that the document described in Subsection (11)(a)(i), if used in connection with any
material matter administered by the commission, would result in an understatement of another
person's liability for a tax, fee, or charge.
- 413 (b) The following acts apply to Subsection (11)(a)(i):
- 414 (i) preparing any portion of a document described in Subsection (11)(a)(i);
- 415 (ii) presenting any portion of a document described in Subsection (11)(a)(i);
- 416 (iii) procuring any portion of a document described in Subsection (11)(a)(i);
- 417 (iv) advising in the preparation or presentation of any portion of a document described in Subsection
(11)(a)(i);
- 419 (v) aiding in the preparation or presentation of any portion of a document described in Subsection (11)
(a)(i);
- 421 (vi) assisting in the preparation or presentation of any portion of a document described in Subsection
(11)(a)(i); or
- 423 (vii) counseling in the preparation or presentation of any portion of a document described in Subsection
(11)(a)(i).
- 425 (c) For purposes of Subsection (11)(a), the penalty:
- 426 (i) shall be imposed by the commission;
- 427 (ii) is \$500 for each document described in Subsection (11)(a)(i) with respect to which the person
described in Subsection (11)(a) meets the requirements of Subsection (11)(a); and

HB0378S01 compared with HB0378S03

- 430 (iii) is in addition to any other penalty provided by law.
- 431 (d) The commission may seek a court order to enjoin a person from engaging in conduct that is subject
to a penalty under this Subsection (11).
- 433 (e) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission
may make rules prescribing the documents that are similar to Subsections (11)(a)(i)(A) through (C).
- 436 (12)
- (a) Criminal offenses and penalties are provided in Subsections (12)(b) through (e).
- 437 (b)
- (i) A person who is required by this title or any laws the commission administers or regulates to register
with or obtain a license or permit from the commission, who operates without having registered or
secured a license or permit, or who operates when the registration, license, or permit is expired or
not current, is guilty of a class B misdemeanor.
- 442 (ii) Notwithstanding Section 76-3-301, for purposes of Subsection (12)(b)(i), the penalty may not:
- 444 (A) be less than \$500; or
- 445 (B) exceed \$1,000.
- 446 (c)
- (i) With respect to a tax, fee, or charge, a person who knowingly and intentionally, and without a
reasonable good faith basis, fails to make, render, sign, or verify a return within the time required
by law or to supply information within the time required by law, or who makes, renders, signs, or
verifies a false or fraudulent return or statement, or who supplies false or fraudulent information, is
guilty of a third degree felony.
- 452 (ii) Notwithstanding Section 76-3-301, for purposes of Subsection (12)(c)(i), the penalty may not:
- 454 (A) be less than \$1,000; or
- 455 (B) exceed \$5,000.
- 456 (d)
- (i) A person who intentionally or willfully attempts to evade or defeat a tax, fee, or charge or the
payment of a tax, fee, or charge is, in addition to other penalties provided by law, guilty of a second
degree felony.
- 459 (ii) Notwithstanding Section 76-3-301, for purposes of Subsection (12)(d)(i), the penalty may not:
- 461 (A) be less than \$1,500; or
- 462 (B) exceed \$25,000.

HB0378S01 compared with HB0378S03

- 463 (e)
- 464 (i) A person is guilty of a second degree felony if that person commits an act:
- 465 (A) described in Subsection (12)(e)(ii) with respect to one or more of the following documents:
- 466 (I) a return;
- 467 (II) an affidavit;
- 468 (III) a claim; or
- 469 (IV) a document similar to Subsections (12)(e)(i)(A)(I) through (III); and
- 470 (B) subject to Subsection (12)(e)(iii), with knowledge that the document described in Subsection (12)(e)(i)(A):
- 471 (I) is false or fraudulent as to any material matter; and
- 472 (II) could be used in connection with any material matter administered by the commission.
- 473 (ii) The following acts apply to Subsection (12)(e)(i):
- 474 (A) preparing any portion of a document described in Subsection (12)(e)(i)(A);
- 475 (B) presenting any portion of a document described in Subsection (12)(e)(i)(A);
- 476 (C) procuring any portion of a document described in Subsection (12)(e)(i)(A);
- 477 (D) advising in the preparation or presentation of any portion of a document described in Subsection (12)(e)(i)(A);
- 478 (E) aiding in the preparation or presentation of any portion of a document described in Subsection (12)(e)(i)(A);
- 479 (F) assisting in the preparation or presentation of any portion of a document described in Subsection (12)(e)(i)(A); or
- 480 (G) counseling in the preparation or presentation of any portion of a document described in Subsection (12)(e)(i)(A).
- 481 (iii) This Subsection (12)(e) applies:
- 482 (A) regardless of whether the person for which the document described in Subsection (12)(e)(i)(A) is prepared or presented:
- 483 (I) knew of the falsity of the document described in Subsection (12)(e)(i)(A); or
- 484 (II) consented to the falsity of the document described in Subsection (12)(e)(i)(A); and
- 485 (B) in addition to any other penalty provided by law.
- 486 (iv) Notwithstanding Section 76-3-301, for purposes of this Subsection (12)(e), the penalty may not:
- 487 (A) be less than \$1,500; or

HB0378S01 compared with HB0378S03

- 497 (B) exceed \$25,000.
- 498 (v) The commission may seek a court order to enjoin a person from engaging in conduct that is subject
to a penalty under this Subsection (12)(e).
- 500 (vi) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission
may make rules prescribing the documents that are similar to Subsections (12)(e)(i)(A)(I) through
(III).
- 503 (f) The statute of limitations for prosecution for a violation of this Subsection (12) is the later of six
years:
- 505 (i) from the date the tax should have been remitted; or
- 506 (ii) after the day on which the person commits the criminal offense.
- 507 (13)
- (a) Subject to Subsection (13)(b), an employer that is required to file a form with the commission in
accordance with Subsection 59-10-406(8) or (9) is subject to a penalty described in Subsection (13)
- (b) if the employer:
- 510 (i) fails to file the form with the commission in an electronic format approved by the commission as
required by Subsection 59-10-406(8) or (9);
- 512 (ii) fails to file the form on or before the due date provided in Subsection 59-10-406(8) or (9);
- 514 (iii) fails to provide accurate information on the form; or
- 515 (iv) fails to provide all of the information required by the Internal Revenue Service to be contained
on the form.
- 517 (b) For purposes of Subsection (13)(a), the penalty is:
- 518 (i) \$30 per form, not to exceed \$75,000 in a calendar year, if the employer files the form in accordance
with Subsection 59-10-406(8) or (9), more than 14 days after the due date provided in Subsection
59-10-406(8) or (9) but no later than 30 days after the due date provided in Subsection 59-10-406(8)
or (9);
- 522 (ii) \$60 per form, not to exceed \$200,000 in a calendar year, if the employer files the form in
accordance with Subsection 59-10-406(8) or (9), more than 30 days after the due date provided in
Subsection 59-10-406(8) or (9) but on or before June 1; or
- 525 (iii) \$100 per form, not to exceed \$500,000 in a calendar year, if the employer:
- 526 (A) files the form in accordance with Subsection 59-10-406(8) or (9) after June 1; or
- 528 (B) fails to file the form.

HB0378S01 compared with HB0378S03

(14) Upon making a record of the commission's actions, and upon reasonable cause shown, the commission may waive, reduce, or compromise any of the penalties or interest imposed under this part.

(15) Failure to pay a tax described in Subsection 59-10-1403.2(2) shall be subject to a penalty as described in Subsection (3) except that the penalty shall be:

(a) assessed only if the pass-through entity reports tax paid on a Utah Schedule K-1 but does not pay some or all of the tax reported; and

(b) calculated based on the difference between the amount of tax reported and the amount of tax paid.

Section 7. Section 59-2-924 is amended to read:

59-2-924. Definitions -- Report of valuation of property to county auditor and commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget -- Notice provided by the commission.

(1) As used in this section:

(a)

(i) "Ad valorem property tax revenue" means revenue collected in accordance with this chapter.

(ii) "Ad valorem property tax revenue" does not include:

(A) interest;

(B) penalties;

(C) collections from redemptions; or

(D) revenue received by a taxing entity from personal property that is semiconductor manufacturing equipment assessed by a county assessor in accordance with Part 3, County Assessment.

(b) "Adjusted tax increment" means the same as that term is defined in Section 17C-1-102.

(c)

(i) "Aggregate taxable value of all property taxed" means:

(A) the aggregate taxable value of all real property a county assessor assesses in accordance with Part 3, County Assessment, for the current year;

(B) the aggregate taxable value of all real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for the current year; and

(C) the aggregate year end taxable value of all personal property a county assessor assesses in accordance with Part 3, County Assessment, contained on the prior year's tax rolls of the taxing entity.

HB0378S01 compared with HB0378S03

- 564 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate year end taxable
value of personal property that is:
- 566 (A) semiconductor manufacturing equipment assessed by a county assessor in accordance with Part 3,
County Assessment; and
- 568 (B) contained on the prior year's tax rolls of the taxing entity.
- 569 (d) "Base taxable value" means:
- 570 (i) for an authority created under Section 11-58-201, the same as that term is defined in Section
11-58-102;
- 572 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201, the same as that
term is defined in Section 11-59-207;
- 574 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, the
same as that term is defined in Section 11-70-101;
- 576 (iv) for an agency created under Section 17C-1-201.5, the same as that term is defined in Section
17C-1-102;
- 578 (v) for an authority created under Section 63H-1-201, the same as that term is defined in Section
63H-1-102;
- 580 (vi) for a host local government, the same as that term is defined in Section 63N-2-502;
- 582 (vii) for a housing and transit reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing
and Transit Reinvestment Zone Act, a property's taxable value as shown upon the assessment roll
last equalized during the base year, as that term is defined in Section 63N-3-602;
- 586 (viii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part 10, Home
Ownership Promotion Zone for Municipalities, or Title 17, Chapter 27a, Part 12, Home Ownership
Promotion Zone for Counties, a property's taxable value as shown upon the assessment roll
last equalized during the base year, as that term is defined in Section 10-9a-1001 or Section
17-27a-1201; or
- 591 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home
Investment Zone Act, a property's taxable value as shown upon the assessment roll last equalized
during the base year, as that term is defined in Section 63N-3-1601.
- 595 (e) "Centrally assessed benchmark value" means an amount equal to the average year end taxable value
of real and personal property the commission assesses in accordance with Part 2, Assessment of
Property, for the previous three calendar years, adjusted for taxable value attributable to:

HB0378S01 compared with HB0378S03

- 599 (i) an annexation to a taxing entity;
- 600 (ii) an incorrect allocation of taxable value of real or personal property the commission assesses in
accordance with Part 2, Assessment of Property; or
- 602 (iii) a change in value as a result of a change in the method of apportioning the value prescribed by the
Legislature, a court, or the commission in an administrative rule or administrative order.
- 605 (f) "Centrally assessed industry" means the following industry classes the commission assesses in
accordance with Part 2, Assessment of Property:
- 607 (i) air carrier;
- 608 (ii) coal;
- 609 (iii) coal load out property;
- 610 (iv) electric generation;
- 611 (v) electric rural;
- 612 (vi) electric utility;
- 613 (vii) gas utility;
- 614 (viii) ground access property;
- 615 (ix) land only property;
- 616 (x) liquid pipeline;
- 617 (xi) metalliferous mining;
- 618 (xii) nonmetalliferous mining;
- 619 (xiii) oil and gas gathering;
- 620 (xiv) oil and gas production;
- 621 (xv) oil and gas water disposal;
- 622 (xvi) railroad;
- 623 (xvii) sand and gravel; and
- 624 (xviii) uranium.
- 625 [(f)] (g)
- (i) "Centrally assessed new growth" means the greater of:
- 626 (A) for each centrally assessed industry, zero; or
- 627 (B) the amount calculated by subtracting the centrally assessed benchmark value for each centrally
assessed industry, adjusted for prior year end incremental value, from the taxable value of
real and personal property the commission assesses in accordance with Part 2, Assessment of

HB0378S01 compared with HB0378S03

Property, for each centrally assessed industry for the current year, adjusted for current year incremental value.

633 (ii) "Centrally assessed new growth" does not include a change in value for a centrally assessed industry
as a result of a change in the method of apportioning the value prescribed by the Legislature, a court,
or the commission in an administrative rule or administrative order.

637 [~~(g)~~] (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property tax revenue
for a taxing entity as was budgeted by that taxing entity for the prior year.

640 [~~(h)~~] (i) "Community reinvestment agency" means the same as that term is defined in Section
17C-1-102.

642 [~~(i)~~] (j) "Eligible new growth" means the greater of:

643 (i) zero; or

644 (ii) the sum of:

645 (A) locally assessed new growth;

646 (B) centrally assessed new growth; and

647 (C) project area new growth or hotel property new growth.

648 [~~(j)~~] (k) "Host local government" means the same as that term is defined in Section 63N-2-502.

650 [~~(k)~~] (l) "Hotel property" means the same as that term is defined in Section 63N-2-502.

651 [~~(l)~~] (m) "Hotel property new growth" means an amount equal to the incremental value that is no longer
provided to a host local government as incremental property tax revenue.

654 [~~(m)~~] (n) "Incremental property tax revenue" means the same as that term is defined in Section
63N-2-502.

656 [~~(n)~~] (o) "Incremental value" means:

657 (i) for an authority created under Section 11-58-201, the amount calculated by multiplying:

659 (A) the difference between the taxable value and the base taxable value of the property that is located
within a project area and on which property tax differential is collected; and

662 (B) the number that represents the percentage of the property tax differential that is paid to the
authority;

664 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201, an amount
calculated by multiplying:

666 (A) the difference between the current assessed value of the property and the base taxable value; and

668

HB0378S01 compared with HB0378S03

(B) the number that represents the percentage of the property tax augmentation, as defined in Section 11-59-207, that is paid to the Point of the Mountain State Land Authority;

671 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, the amount calculated by multiplying:

673 (A) the difference between the taxable value for the current year and the base taxable value of the property that is located within a project area; and

675 (B) the number that represents the percentage of enhanced property tax revenue, as defined in Section 11-70-101;

677 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by multiplying:

679 (A) the difference between the taxable value and the base taxable value of the property located within a project area and on which tax increment is collected; and

682 (B) the number that represents the adjusted tax increment from that project area that is paid to the agency;

684 (v) for an authority created under Section 63H-1-201, the amount calculated by multiplying:

686 (A) the difference between the taxable value and the base taxable value of the property located within a project area and on which property tax allocation is collected; and

689 (B) the number that represents the percentage of the property tax allocation from that project area that is paid to the authority;

691 (vi) for a housing and transit reinvestment zone created pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, an amount calculated by multiplying:

694 (A) the difference between the taxable value and the base taxable value of the property that is located within a housing and transit reinvestment zone and on which tax increment is collected; and

697 (B) the number that represents the percentage of the tax increment that is paid to the housing and transit reinvestment zone;

699 (vii) for a host local government, an amount calculated by multiplying:

700 (A) the difference between the taxable value and the base taxable value of the hotel property on which incremental property tax revenue is collected; and

702 (B) the number that represents the percentage of the incremental property tax revenue from that hotel property that is paid to the host local government;

704

HB0378S01 compared with HB0378S03

(viii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 27a, Part 12, Home Ownership Promotion Zone for Counties, an amount calculated by multiplying:

(A) the difference between the taxable value and the base taxable value of the property that is located within a home ownership promotion zone and on which tax increment is collected; and

(B) the number that represents the percentage of the tax increment that is paid to the home ownership promotion zone; or

(ix) for a first home investment zone created pursuant to Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:

(A) the difference between the taxable value and the base taxable value of the property that is located within a first home investment zone and on which tax increment is collected; and

(B) the number that represents the percentage of the tax increment that is paid to the first home investment zone.

~~[(e)]~~ (p)

(i) "Locally assessed new growth" means the greater of:

(A) zero; or

(B) the amount calculated by subtracting the year end taxable value of real property the county assessor assesses in accordance with Part 3, County Assessment, for the previous year, adjusted for prior year end incremental value from the taxable value of real property the county assessor assesses in accordance with Part 3, County Assessment, for the current year, adjusted for current year incremental value.

(ii) "Locally assessed new growth" does not include a change in:

(A) value as a result of factoring in accordance with Section 59-2-704, reappraisal, or another adjustment;

(B) assessed value based on whether a property is allowed a residential exemption for a primary residence under Section 59-2-103;

(C) assessed value based on whether a property is assessed under Part 5, Farmland Assessment Act; or

(D) assessed value based on whether a property is assessed under Part 17, Urban Farming Assessment Act.

~~[(p)]~~ (q) "Project area" means:

HB0378S01 compared with HB0378S03

- (i) for an authority created under Section 11-58-201, the same as that term is defined in Section 11-58-102;
- 740 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, the same as that term is defined in Section 11-70-101;
- 742 (iii) for an agency created under Section 17C-1-201.5, the same as that term is defined in Section 17C-1-102; or
- 744 (iv) for an authority created under Section 63H-1-201, the same as that term is defined in Section 63H-1-102.
- 746 [(q)] (r) "Project area new growth" means:
- 747 (i) for an authority created under Section 11-58-201, an amount equal to the incremental value that is no longer provided to an authority as property tax differential;
- 750 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201, an amount equal to the incremental value that is no longer provided to the Point of the Mountain State Land Authority as property tax augmentation, as defined in Section 11-59-207;
- 754 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, an amount equal to the incremental value that is no longer provided to the Utah Fairpark Area Investment and Restoration District;
- 757 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the incremental value that is no longer provided to an agency as tax increment;
- 759 (v) for an authority created under Section 63H-1-201, an amount equal to the incremental value that is no longer provided to an authority as property tax allocation;
- 762 (vi) for a housing and transit reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, an amount equal to the incremental value that is no longer provided to a housing and transit reinvestment zone as tax increment;
- 766 (vii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 27a, Part 12, Home Ownership Promotion Zone for Counties, an amount equal to the incremental value that is no longer provided to a home ownership promotion zone as tax increment; or
- 771 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, an amount equal to the incremental value that is no longer provided to a first home investment zone as tax increment.

HB0378S01 compared with HB0378S03

- 774 ~~[(+)]~~ (s) "Project area incremental revenue" means the same as that term is defined in Section
17C-1-1001.
- 776 ~~[(s)]~~ (t) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 778 ~~[(+)]~~ (u) "Property tax differential" means the same as that term is defined in Section 11-58-102.
- 780 ~~[(+)]~~ (v) "Qualifying exempt revenue" means revenue received:
- 781 (i) for the previous calendar year;
- 782 (ii) by a taxing entity;
- 783 (iii) from tangible personal property contained on the prior year's tax rolls that is exempt from property
tax under Subsection 59-2-1115(2)(b) for a calendar year beginning on January 1, 2022; and
- 786 (iv) on the aggregate 2021 year end taxable value of the tangible personal property that exceeds
\$15,300.
- 788 ~~[(+)]~~ (w) "Tax increment" means:
- 789 (i) for a project created under Section 17C-1-201.5, the same as that term is defined in Section
17C-1-102;
- 791 (ii) for a housing and transit reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and
Transit Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 794 (iii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part 10, Home
Ownership Promotion Zone for Municipalities, or Title 17, Chapter 27a, Part 12, Home Ownership
Promotion Zone for Counties, the same as that term is defined in Section 10-9a-1001 or Section
17-27a-1201; or
- 798 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home
Investment Zone Act, the same as that term is defined in Section 63N-3-1601.
- 801 (2) Before June 1 of each year, the county assessor of each county shall deliver to the county auditor
and the commission the following statements:
- 803 (a) a statement containing the aggregate valuation of all taxable real property a county assessor assesses
in accordance with Part 3, County Assessment, for each taxing entity; and
- 806 (b) a statement containing the taxable value of all personal property a county assessor assesses in
accordance with Part 3, County Assessment, from the prior year end values.
- 809 (3) The county auditor shall, on or before June 8, transmit to the governing body of each taxing entity:
- 811 (a) the statements described in Subsections (2)(a) and (b);
- 812 (b) an estimate of the revenue from personal property;

HB0378S01 compared with HB0378S03

- 813 (c) the certified tax rate; and
814 (d) all forms necessary to submit a tax levy request.
815 (4)
(a) Except as otherwise provided in this section, the certified tax rate shall be calculated by dividing the
ad valorem property tax revenue that a taxing entity budgeted for the prior year minus the qualifying
exempt revenue by the amount calculated under Subsection (4)(b).
819 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall calculate an amount as
follows:
821 (i) calculate for the taxing entity the difference between:
822 (A) the aggregate taxable value of all property taxed; and
823 (B) any adjustments for current year incremental value;
824 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount determined by
increasing or decreasing the amount calculated under Subsection (4)(b)(i) by the average of the
percentage net change in the value of taxable property for the equalization period for the three
calendar years immediately preceding the current calendar year;
829 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the product of:
831 (A) the amount calculated under Subsection (4)(b)(ii); and
832 (B) the percentage of property taxes collected for the five calendar years immediately preceding the
current calendar year; and
834 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an amount determined by:
836 (A) multiplying the percentage of property taxes collected for the five calendar years immediately
preceding the current calendar year by eligible new growth; and
839 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the amount calculated under
Subsection (4)(b)(iii).
841 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated as follows:
843 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified tax rate is zero;
845 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
846 (i) in a county of the first, second, or third class, the levy imposed for municipal-type services under
Sections 17-34-1 and 17-36-9; and
848

HB0378S01 compared with HB0378S03

- (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county purposes and such other levies imposed solely for the municipal-type services identified in Section 17-34-1 and Subsection 17-36-3(23);
- 851 (c) for a community reinvestment agency that received all or a portion of a taxing entity's project area incremental revenue in the prior year under Title 17C, Chapter 1, Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in Subsection (4) except that the commission shall treat the total revenue transferred to the community reinvestment agency as ad valorem property tax revenue that the taxing entity budgeted for the prior year; and
- 857 (d) for debt service voted on by the public, the certified tax rate is the actual levy imposed by that section, except that a certified tax rate for the following levies shall be calculated in accordance with Section 59-2-913 and this section:
- 860 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
- 861 (ii) a levy to pay for the costs of state legislative mandates or judicial or administrative orders under Section 59-2-1602.
- 863 (6)
- (a) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 may be imposed at a rate that is sufficient to generate only the revenue required to satisfy one or more eligible judgments.
- 866 (b) The ad valorem property tax revenue generated by a judgment levy described in Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate certified tax rate.
- 869 (7)
- (a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 870 (i) the taxable value of real property:
- 871 (A) the county assessor assesses in accordance with Part 3, County Assessment; and
- 873 (B) contained on the assessment roll;
- 874 (ii) the year end taxable value of personal property:
- 875 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
- 876 (B) contained on the prior year's assessment roll; and
- 877 (iii) the taxable value of real and personal property the commission assesses in accordance with Part 2, Assessment of Property.
- 879 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new growth.
- 881 (8)

HB0378S01 compared with HB0378S03

(a) On or before June 30, a taxing entity shall annually adopt a tentative budget.

(b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify the county auditor of:

(i) the taxing entity's intent to exceed the certified tax rate; and

(ii) the amount by which the taxing entity proposes to exceed the certified tax rate.

(c) The county auditor shall notify property owners of any intent to levy a tax rate that exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.

(9)

(a) Subject to Subsection (9)(d), the commission shall provide notice, through electronic means on or before July 31, to a taxing entity and the Revenue and Taxation Interim Committee if:

(i) the amount calculated under Subsection (9)(b) is 10% or more of the year end taxable value of the real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for the previous year, adjusted for prior year end incremental value; and

(ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year end taxable value of the real and personal property of a taxpayer the commission assesses in accordance with Part 2, Assessment of Property, for the previous year.

(b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by subtracting the taxable value of real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for the current year, adjusted for current year incremental value, from the year end taxable value of the real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for the previous year, adjusted for prior year end incremental value.

(c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by subtracting the total taxable value of real and personal property of a taxpayer the commission assesses in accordance with Part 2, Assessment of Property, for the current year, from the total year end taxable value of the real and personal property of a taxpayer the commission assesses in accordance with Part 2, Assessment of Property, for the previous year.

(d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the requirement under Subsection (9)(a)(ii).

Section 8. Section 8 is enacted to read:

59-2-924.5. Diversion of centrally assessed new growth.

(1) As used in this section:

HB0378S01 compared with HB0378S03

- 915 (a) "Centrally assessed new growth" means the same as that term is defined in Section 59-2-924.
- 917 (b) "Centrally assessed new growth revenue" means an amount calculated by multiplying a taxing
entity's centrally assessed new growth for a calendar year by the taxing entity's final tax rate adopted
under this part for that year.
- 920 (2)
- (a) On or before December 31 of each year, the county treasurer shall remit the amount calculated under
Subsection (2)(b) to the Division of Finance.
- 922 (b) The amount to be remitted to the Division of Finance under this Subsection (2) shall be the sum of
centrally assessed new growth revenue for each taxing entity in the county for that year multiplied
by 7%.
- 925 (c) Notwithstanding the remittance of money under this Subsection (2), for purposes of calculating a
tax rate, a taxing entity shall recognize total centrally assessed new growth in the following year's
budgeted revenue.
- 928 (3) Beginning in 2027, by no later than June 30 of each year, the Division of Finance shall deposit into
the Species Protection Account created in Section 23A-3-214 the amounts remitted to the Division
of Finance under Subsection (2) after subtracting the administrative charge described in Subsection
(4).
- 932 (4) Notwithstanding the other provisions of this section, the Division of Finance may retain an
administrative charge for the costs associated with implementing this section from the amounts
remitted to the Division of Finance under Subsection (2).

935 Section 9. Section **59-24-105** is amended to read:

936 **59-24-105. Deposit of tax revenue.**

- 111 (1) [~~—The—~~] Except as provided in Subsection (2), the commission shall deposit the tax revenue
collected under this chapter into the Uniform School Fund.
- 113 (2) The commission shall deposit the tax revenue collected in accordance with Subsection
59-24-103.7(2)(a) into the Species Protection Account created in {~~accordance with~~} Section
23A-3-214.

942 Section 10. Section **10** is enacted to read:

946 **59-32-101. Definitions.**

32. WIND OR SOLAR ELECTRIC GENERATION FACILITY CAPACITY TAX

1. General Provisions

HB0378S01 compared with HB0378S03

As used in this chapter:

~~{(1) {"Large-scale electric utility" means the same as that term is defined in Section 54-2-1.}}~~

(1) "Commercially operational" means that a wind or solar electric generation facility generates commercial amounts of electricity.

(2) "Nameplate capacity" means the sum of the maximum rated outputs of all electrical generating equipment within a facility under specific conditions designated by the manufacturer, as indicated on individual nameplates physically attached to the equipment.

(3) "Pass-through entity" means the same as that term is defined in Section 59-10-1402.

~~{(3)}~~ (4) {"Operator" "Renewable energy project entity" means a {person engaged} corporation or pass-through entity that directly owns a wind or solar electric generation facility in the {business} state that has executed a power purchase agreement or other binding agreement to purchase the output of {operating} a wind or solar electric generation facility{, regardless of whether the person is:} owned by the renewable energy project entity after January 1, 2026.

~~{(a) {an owner;}}~~

~~{(b) {an independent contractor; or}}~~

~~{(c) {acting in a capacity similar to Subsection (2)(a) or (b) as determined by the commission by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.}}~~

~~{(4)}~~ (5)

(a) "Wind or solar electric generation facility" means a commercially operational facility with the capacity to generate electricity from wind or solar that has not reached the end of the facility's operational life that uses:

(i) {using} wind equipment with a nameplate capacity of at least {one megawatt of electricity} 20 megawatts; or

(ii) {using} solar equipment with a nameplate capacity of at least {one megawatt of electricity} 20 megawatts.

(b) "Wind or solar electric generation facility" does not include a facility that generates wind or solar electricity primarily for onsite consumption by the owner or tenant of the property on which the facility is located.

~~{(5) {"Wind or solar electricity" means electricity generated by wind or solar.}}~~

Section 11. Section **11** is enacted to read:

HB0378S01 compared with HB0378S03

59-32-201. Imposition of {~~wind or solar electric generation facility~~} tax on renewable energy project entities -- Deposit of revenue {~~-- Effect on ratepayers~~} .

2. Imposition of Tax

(1)

{~~(1)~~} (a) Beginning January 1, 2026, there is annually levied a tax on {~~an operator of~~} a renewable energy project entity in the state for each calendar year following the calendar year in which a wind or solar electric generation facilityowned by the renewable energy project entity becomes commercially operational.

(b) Notwithstanding the other provisions of this chapter, a renewable energy project entity does not owe a tax under this chapter for a wind or solar electric generation facility project that before December 31, 2025, was:

(i) operating;

(ii) under construction; or

(iii) subject to a power purchase agreement or other binding agreement to purchase output of the wind or solar electric generation facility.

(2) The tax levied under Subsection (1) is calculated by multiplying the megawatts, or portion of megawatts, of operational nameplate capacity of a wind or solar electric generation facility owned by {~~\$2,100~~} the renewable energy project entity by \$1,050.

(3)

(a) {~~An operator of a wind or solar electric generation facility~~} A renewable energy project entity in the state shall electronically file with the commission, on or before {~~June~~} March 1 of each year, a statement containing the information required by Subsection (3)(b) in a manner prescribed by the commission.

(b) The statement required in Subsection (3)(a) shall include:

(i) the name, description, and location of {~~the~~} a wind or solar electric generation facilityowned by the renewable energy project entity in the state;

(ii) the nameplate capacity {~~of the wind or solar electric generation facility~~} described in Subsection (2); and

(iii) any other reasonable and necessary information required by the commission.

HB0378S01 compared with HB0378S03

(c) A statement or report required to be filed with the commission shall be signed and sworn to by the ~~{operator}~~ chief executive officer of the ~~{wind or solar electric generation facility}~~ renewable energy project entity or the ~~{operator's}~~ chief executive officer's designee.

~~{(4)}~~ (d) A willful false swearing as to a material fact set out in the statement or report required ~~{by}~~ under this Subsection (3) is a violation of Section 76-8-504 and may result in prosecution.

~~{(5)}~~ (4) The tax imposed by this chapter does not apply to a wind or solar electric generation facility that is owned or operated by:

(a) the United States;

(b) the state or a political subdivision of the state;

(c) an Indian or Indian tribe, as defined in Section 9-9-101; or

(d) a distribution electric cooperative or a wholesale electric cooperative, as defined in Section 54-2-1.

~~{(6)}~~ (5) The commission shall deposit revenue from the tax imposed in this section into the Species Protection Account ~~{in accordance with}~~ created by Section 23A-3-214.

~~{(7)}~~ }

~~{(a) {A large-scale electric utility may not:}}~~ }

~~{(i) {recover from ratepayers, through rates or other charges, any amount paid for a tax imposed under this section; or}}~~ }

~~{(ii) {include any amount paid for a tax imposed under this section in the large-scale electric utility's rate base or revenue requirement.}}~~ }

~~{(b) {The Public Service Commission shall:}}~~ }

~~{(i) {enforce the requirements of this Subsection (7); and}}~~ }

~~{(ii) {reject any rate filing or request that violates this Subsection (7).}}~~ }

Section 8. Section 8 is enacted to read:

59-32-202. Tax as lien on property.

The tax imposed by this chapter, together with penalties and interest, is and shall remain a lien upon the wind or solar electric generation facility until the tax is paid.

Section 12. Section 12 is enacted to read:

59-32-301. Administration, collection, and enforcement of {wind or solar electric generation facility} tax -- Rulemaking.

3. Administration, Collection, and Enforcement of Tax

HB0378S01 compared with HB0378S03

(1) The commission shall administer, collect, and enforce a tax under this chapter in {accordance with Chapter 1, General Taxation Policies.}

193 {(2) }

{(a) {In case of any failure to make or file a statement or report required by this chapter, the penalty provided in Section 59-1-401 and interest at the rate and in the manner prescribed in Section 59-1-402 shall be charged and added to the tax.}}

196 {(b) {The commission shall collect an amount added under this Subsection (2) to a tax, whether as a penalty, interest, or both, at the same time, in the same manner, and as a part of the tax.}}

199 {(3) {An overpayment of a tax imposed by this chapter shall accrue interest at the rate and in the manner prescribed in Section 59-1-402.}}

201 {(4) {The commission may make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish the requirements for a statement or report required under Section 59-32-201.}}

accordance with Chapter 1, General Taxation Policies.

1014 Section 13. Section 13 is enacted to read:

1015 **59-32-302. When taxes due -- Payment of tax -- Audit.**

The tax imposed by this chapter is due and payable on or before March 1 of the year next succeeding the calendar year when the renewable energy project entity is subject to the

206 (1) {Except as provided in Subsection (2), the tax imposed by this chapter is due and payable on or before June 1 of the year next succeeding the calendar year when the wind or solar electric generation facility is subject to the} tax imposed under Section 59-32-201.

209 {(2) }

{(a) {Notwithstanding Subsection (1), the commission may, for good cause shown upon a written application by the taxpayer, extend the time of payment of the whole or any part of the tax for a period not to exceed six months.}}

212 {(b) {If the commission allows an extension under Subsection (2)(a), interest at the rate and in the manner prescribed in Section 59-1-402 shall be charged and added to the amount of the tax allowed the extension.}}

215 {(3) {If the tax imposed by Section 59-32-201 is not paid when due or is underpaid, the taxpayer is subject to the penalty provided under Section 59-1-401.}}

217 {(4) {The commission may conduct an audit to determine whether a tax is owed under this chapter.}}

HB0378S01 compared with HB0378S03

Section 14. Section **63I-2-279** is amended to read:

63I-2-279. Repeal dates: Title 79.

- (1) Section 79-2-206, Transition, is repealed July 1, 2024.
- (2) Section 79-2-407, Study of funding for water infrastructure costs, is repealed July 1, 2025.
- (3) Subsection 79-4-1002(2), regarding a pilot program for veteran free admission to state parks, is repealed July 1, 2025.
- (4) Section 79-7-303, Zion National Park Support Programs Restricted Account, is repealed July 1, 2024.
- (5) Title 79, Chapter 6, Part 11, Energy Project Assessment, is repealed January 1, 2028.

Section 15. Section **79-6-405** is amended to read:

79-6-405. Reports -- Study.

- (1) The director shall report annually to the Public Utilities, Energy, and Technology Interim Committee.
- (2) The report required in Subsection (1) shall:
 - (a) summarize the status and development of the state's energy resources;
 - (b) summarize the activities and accomplishments of the office;
 - (c) address the director's activities under this part;
 - (d) recommend any energy-related executive or legislative action the director or office considers beneficial to the state, including updates to the state energy policy under Section 79-6-301; and
 - (e) address long-term energy planning required under Subsection 79-6-401(10).
- (3)
 - (a) The office shall study the impacts of the following on energy costs in the state:
 - (i) Title 59, Chapter 32, Wind or Solar Electric Generation Facility Capacity Tax; and
 - (ii) Part 11, Energy Project Assessment.
 - (b) The director shall report the office's findings regarding the study required under this Subsection (3) to the Public Utilities, Energy, and Technology Interim Committee by no later than the 2026 November interim meeting of the Public Utilities, Energy, and Technology Interim Committee.

Section 16. Section **16** is enacted to read:

Part 11. Energy Project Assessment

79-6-1101. Definitions.

As used in this part:

HB0378S01 compared with HB0378S03

- 1052 (1) "Affiliated group" means one or more chains of corporations or pass-through entities that are
connected through ownership by a common parent entity that directly or indirectly controls or owns
more than 50% of the outstanding voting stock or ownership interests of each corporation or pass-
through entity.
- 1056 (2) "Commercially operational" means that a wind or solar electric generation facility generates
commercial amounts of electricity.
- 1058 (3) "Eligible facility" means a wind or solar electric generation facility that is:
1059 (a) commercially operational on January 1, 2026;
1060 (b) under construction on January 1, 2026; or
1061 (c) subject to a power purchase agreement or other binding agreement to purchase the output of the
wind or solar electric generation facility as of January 1, 2026.
- 1063 (4) "Energy project assessment" means the assessment imposed in Section 79-6-1102.
- 1064 (5) "Nameplate capacity" means the sum of the maximum rated outputs of all electrical generating
equipment within a facility under specific conditions designated by the manufacturer, as indicated
on individual nameplates physically attached to the equipment.
- 1068 (6) "Pass-through entity" means the same as that term is defined in Section 59-10-1402.
- 1069 (7) "Renewable energy parent entity" means the parent entity of an affiliated group when an entity in
the affiliated group controls, directly or indirectly, a wind or solar electric generation facility in the
state.
- 1072 (8) "Species Protection Account" means the account created in Section 23A-3-214.
- 1073 (9) "Tax commission" means the State Tax Commission.
- 1074 (10) "Wind or solar electric generation facility" means a commercially operational facility with the
capacity to generate electricity from wind or solar that has not reached the end of the facility's
operational life that uses:
- 1077 (a) wind equipment with a nameplate capacity of at least 20 megawatts; or
1078 (b) solar equipment with a nameplate capacity of at least 20 megawatts.
- 1079 Section 17. Section 17 is enacted to read:
- 1080 **79-6-1102. Energy project assessment.**
- 1081 (1) Beginning January 1, 2026, each renewable energy parent entity with an eligible facility that is
commercially operational in the state shall pay an annual energy project assessment to the tax
commission before March 1 of each year.

HB0378S01 compared with HB0378S03

- 1084 (2) The amount of the energy project assessment is based on the total number of nameplate capacity
 megawatts of wind or solar electric generation facilities that are commercially operational in the
 state at the beginning of the calendar year, and controlled by the renewable energy parent entity, as
 follows:
- 1088 (a) for 500 or greater megawatts of operational nameplate capacity, the assessment is \$200,000;
1090 (b) for megawatts of operational nameplate capacity equal to or greater than 200 megawatts, but less
 than 500 megawatts, the assessment is \$175,000;
- 1092 (c) for megawatts of operational nameplate capacity equal to or greater than 100 megawatts, but less
 than 200 megawatts, the assessment is \$125,000;
- 1094 (d) for megawatts of operational nameplate capacity equal to or greater than 50 megawatts, but less than
 100 megawatts, the assessment is \$50,000; and
- 1096 (e) for megawatts of operational nameplate capacity equal to or greater than 20 megawatts, but less than
 50 megawatts, the assessment is \$25,000.
- 1098 (3) The office shall annually determine the amount of energy project assessment each renewable energy
 parent entity owes under this section and report that amount to the tax commission to be collected in
 accordance with Section 79-6-1103.
- 1101 (4) The office may make rules, in accordance with Title 63G, Chapter 3, Utah Administrative
 Rulemaking Act, to create procedures for assessing and reporting the amounts to be collected under
 this section.
- 1104 Section 18. Section **18** is enacted to read:
- 1105 **79-6-1103. Administration of the assessment -- Species Protection Account.**
- 1106 (1) The tax commission shall administer, collect, and enforce the energy project assessment collected
 under this part in accordance with Title 59, Chapter 1, General Taxation Policies.
- 1109 (2)
- (a) A renewable energy parent entity shall electronically file with the tax commission, on or before
 March 1 of each year, a statement containing the information required by Subsection (2)(b) in a
 manner prescribed by the tax commission.
- 1112 (b) The statement required in Subsection (2)(a) shall include:
- 1113 (i) the name of the renewable energy parent entity;
- 1114

HB0378S01 compared with HB0378S03

(ii) the nameplate capacity in megawatts of wind or solar electric generation facilities that are commercially operational in the state at the beginning of the calendar year, and controlled by the renewable energy parent entity; and

1117 (iii) any other reasonable and necessary information required by the tax commission.

1118 (c) A statement required to be filed with the tax commission shall be signed and sworn to by the chief executive officer of the renewable energy parent entity or the chief executive officer's designee.

1121 (3) The tax commission shall deposit revenue collected from the energy project assessment into the Species Protection Account.

1123 Section 19. **Effective date.**

Effective Date.

This bill takes effect on January 1, 2026.

3-5-25 7:45 PM