

Tax Payments with Precious Metals

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ken Ivory

Senate Sponsor:

LONG TITLE**General Description:**

This bill modifies provisions related to tax payments.

Highlighted Provisions:

This bill:

- ▶ allows a person to pay in gold mining severance taxes and income taxes;
- ▶ for specified years, provides:
 - a reduced severance tax rate for taxpayers who pay in gold; and
 - a nonrefundable income tax credit for mine operators who pay in gold; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:**AMENDS:**

51-9-306, as last amended by Laws of Utah 2024, Chapter 25

51-9-307, as last amended by Laws of Utah 2024, Chapter 25

59-1-403, as last amended by Laws of Utah 2024, Chapters 25, 35

59-5-201, as last amended by Laws of Utah 1990, Chapter 287

59-5-202, as last amended by Laws of Utah 2024, Chapter 25

59-5-203, as last amended by Laws of Utah 2024, Chapter 25

59-5-207, as last amended by Laws of Utah 2024, Chapter 25

59-5-215, as last amended by Laws of Utah 2024, Chapter 25

59-7-504, as last amended by Laws of Utah 2021, Chapter 367

59-7-532, as last amended by Laws of Utah 2022, Chapter 456

59-7-536, as renumbered and amended by Laws of Utah 1993, Chapter 169

59-10-514, as last amended by Laws of Utah 2021, Chapter 367

31 **59-10-520**, as renumbered and amended by Laws of Utah 1987, Chapter 2

32 **59-10-544**, as last amended by Laws of Utah 2022, Chapter 456

33 **65A-6-4**, as last amended by Laws of Utah 2024, Chapter 25

34 **65A-17-306**, as enacted by Laws of Utah 2024, Chapter 25

35 ENACTS:

36 **59-7-627**, Utah Code Annotated 1953

37 **59-10-1048**, Utah Code Annotated 1953

38

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

40 Section 1. Section **51-9-306** is amended to read:

41 **51-9-306 . Deposit of certain severance tax revenue for specified state agencies.**

42 (1) As used in this section:

43 (a) "Aggregate annual revenue" means the aggregate annual revenue collected in a fiscal

44 year from the taxes imposed under Title 59, Chapter 5, Severance Tax on Oil, Gas,

45 and Mining, after subtracting the amounts required to be distributed under Sections

46 51-9-305, 59-5-116, and 59-5-119 and under Subsection [~~59-5-202(5)(e)~~]

47 ~~59-5-202(7)(c)~~.

48 (b) "Aggregate annual mining revenue" means the aggregate annual revenue collected in

49 a fiscal year from taxes imposed under Title 59, Chapter 5, Part 2, Mining Severance

50 Tax, after subtracting the amounts required to be distributed under Section 51-9-305

51 and under Subsection [~~59-5-202(5)(e)~~] ~~59-5-202(7)(c)~~.

52 (c) "Aggregate annual oil and gas revenue" means the aggregate annual revenue

53 collected in a fiscal year from the taxes imposed under Title 59, Chapter 5, Part 1, Oil

54 and Gas Severance Tax, after subtracting the amounts required to be distributed

55 under Sections 51-9-305, 59-5-116, and 59-5-119.

56 (d) "Average aggregate annual revenue" means the three-year rolling average of the

57 aggregate annual revenue collected in a fiscal year from the taxes imposed under

58 Title 59, Chapter 5, Severance Tax on Oil, Gas, and Mining:

59 (i) after subtracting the amounts required to be distributed under Sections 51-9-305,

60 59-5-116, and 59-5-119 and under Subsection [~~59-5-202(5)(e)~~] ~~59-5-202(7)(c)~~; and

61 (ii) ending in the fiscal year immediately preceding the fiscal year of a deposit

62 required by this section.

63 (e) "Average aggregate annual mining revenue" means the three-year rolling average of

64 the aggregate annual revenue collected in a fiscal year from the taxes imposed under

- 65 Title 59, Chapter 5, Part 2, Mining Severance Tax:
- 66 (i) after subtracting the amounts required to be distributed under Section 51-9-305
67 and under Subsection [~~59-5-202(5)(e)~~] 59-5-202(7)(c); and
- 68 (ii) ending in the fiscal year immediately preceding the fiscal year of a deposit
69 required by this section.
- 70 (f) "Average aggregate annual oil and gas revenue" means the three-year rolling average
71 of the aggregate annual revenue collected in a fiscal year from the taxes imposed
72 under Title 59, Chapter 5, Part 1, Oil and Gas Severance Tax:
- 73 (i) after subtracting the amounts required to be distributed under Sections 51-9-305,
74 59-5-116, and 59-5-119; and
- 75 (ii) ending in the fiscal year immediately preceding the fiscal year of a deposit
76 required by this section.
- 77 (2) After making the deposits of oil and gas severance tax revenue as required under
78 Sections 59-5-116 and 59-5-119 and making the credits under Section 51-9-305, for a
79 fiscal year beginning on or after July 1, 2021, the State Tax Commission shall annually
80 make the following deposits:
- 81 (a) to the Division of Air Quality Oil, Gas, and Mining Restricted Account, created in
82 Section 19-2a-106, the following average aggregate annual revenue:
- 83 (i) 2.75% of the first \$50,000,000 of the average aggregate annual revenue;
84 (ii) 1% of the next \$50,000,000 of the average aggregate annual revenue; and
85 (iii) .5% of the average aggregate annual revenue that exceeds \$100,000,000;
- 86 (b) to the Division of Water Quality Oil, Gas, and Mining Restricted Account, created in
87 Section 19-5-126, the following average aggregate annual revenue:
- 88 (i) .4% of the first \$50,000,000 of the average aggregate annual revenue;
89 (ii) .15% of the next \$50,000,000 of the average aggregate annual revenue; and
90 (iii) .08% of the average aggregate annual revenue that exceeds \$100,000,000;
- 91 (c) to the Division of Oil, Gas, and Mining Restricted Account, created in Section
92 40-6-23, the following:
- 93 (i)(A) 11.5% of the first \$50,000,000 of the average aggregate annual mining
94 revenue;
- 95 (B) 3% of the next \$50,000,000 of the average aggregate annual mining revenue;
96 and
- 97 (C) 1% of the average aggregate annual mining revenue that exceeds
98 \$100,000,000; and

- 99 (ii)(A) 18% of the first \$50,000,000 of the average aggregate annual oil and gas
100 revenue;
- 101 (B) 3% of the next \$50,000,000 of the average aggregate annual oil and gas
102 revenue; and
- 103 (C) 1% of the average aggregate annual oil and gas revenue that exceeds
104 \$100,000,000; and
- 105 (d) to the Utah Geological Survey Restricted Account, created in Section 79-3-403, the
106 following average aggregate annual revenue:
- 107 (i) 2.5% of the first \$50,000,000 of the average aggregate annual revenue;
- 108 (ii) 1% of the next \$50,000,000 of the average aggregate annual revenue; and
- 109 (iii) .5% of the average aggregate annual revenue that exceeds \$100,000,000.
- 110 (3) If the money collected in a fiscal year from the taxes imposed under Title 59, Chapter 5,
111 Severance Tax on Oil, Gas, and Mining, is insufficient to make the deposits required by
112 Subsection (2), the State Tax Commission shall deposit money collected in the fiscal
113 year as follows:
- 114 (a) to the Division of Air Quality Oil, Gas, and Mining Restricted Account, created in
115 Section 19-2a-106, the following revenue:
- 116 (i) 2.75% of the first \$50,000,000 of the aggregate annual revenue;
- 117 (ii) 1% of the next \$50,000,000 of the aggregate annual revenue; and
- 118 (iii) .5% of the aggregate annual revenue that exceeds \$100,000,000;
- 119 (b) to the Division of Water Quality Oil, Gas, and Mining Restricted Account, created in
120 Section 19-5-126, the following revenue:
- 121 (i) .4% of the first \$50,000,000 of the aggregate annual revenue;
- 122 (ii) .15% of the next \$50,000,000 of the aggregate annual revenue; and
- 123 (iii) .08% of the aggregate annual revenue that exceeds \$100,000,000;
- 124 (c) to the Division of Oil, Gas, and Mining Restricted Account, created in Section
125 40-6-23, the following:
- 126 (i)(A) 11.5% of the first \$50,000,000 of the aggregate annual mining revenue;
- 127 (B) 3% of the next \$50,000,000 of the aggregate annual mining revenue; and
- 128 (C) 1% of the aggregate annual mining revenue that exceeds \$100,000,000; and
- 129 (ii)(A) 18% of the first \$50,000,000 of the aggregate annual oil and gas revenue;
- 130 (B) 3% of the next \$50,000,000 of the aggregate annual oil and gas revenue; and
- 131 (C) 1% of the aggregate annual oil and gas revenue that exceeds \$100,000,000;
- 132 and

133 (d) to the Utah Geological Survey Restricted Account, created in Section 79-3-403, the
134 following revenue:

135 (i) 2.5% of the first \$50,000,000 of the aggregate annual revenue;

136 (ii) 1% of the next \$50,000,000 of the aggregate annual revenue; and

137 (iii) .5% of the aggregate annual revenue that exceeds \$100,000,000.

138 (4) The severance tax revenues deposited under this section into restricted accounts for the
139 state agencies specified in Subsection (2) and appropriated from the restricted accounts
140 offset and supplant General Fund appropriations used to pay the costs of programs or
141 projects administered by the state agencies that are primarily related to oil, gas, and
142 mining.

143 Section 2. Section **51-9-307** is amended to read:

144 **51-9-307 . New Severance Tax Revenue Special Revenue Fund.**

145 (1) As used in this section:

146 (a) "Fund" means the New Severance Tax Revenue Special Revenue Fund created in
147 this section.

148 (b) "New revenue" means revenue collected above \$100,000,000 from the taxes imposed
149 under Title 59, Chapter 5, Severance Tax on Oil, Gas, and Mining, after subtracting
150 the amounts required to be distributed under Sections 51-9-305, 51-9-306, 59-5-116,
151 59-5-119, and 59-5-121 and under Subsection [59-5-202(5)(e)] 59-5-202(7)(c).

152 (2) There is created a special revenue fund known as the "New Severance Tax Revenue
153 Special Revenue Fund" that consists of:

154 (a) money deposited by the State Tax Commission in accordance with this section; and

155 (b) interest earned on the money in the fund.

156 (3) Beginning July 1, 2021, the State Tax Commission shall deposit into the fund 100% of
157 new revenue until the new revenue equals or exceeds \$200,000,000 in a fiscal year.

158 Section 3. Section **59-1-403** is amended to read:

159 **59-1-403 . Confidentiality -- Exceptions -- Penalty -- Application to property tax.**

160 (1) As used in this section:

161 (a) "Distributed tax, fee, or charge" means a tax, fee, or charge:

162 (i) the commission administers under:

163 (A) this title, other than a tax under Chapter 12, Part 2, Local Sales and Use Tax
164 Act;

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

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

- 167 (D) Section 19-6-805;
- 168 (E) Section 63H-1-205; or
- 169 (F) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service
- 170 Charges; and
- 171 (ii) with respect to which the commission distributes the revenue collected from the
- 172 tax, fee, or charge to a qualifying jurisdiction.
- 173 (b) "Qualifying jurisdiction" means:
- 174 (i) a county, city, or town;
- 175 (ii) the military installation development authority created in Section 63H-1-201; or
- 176 (iii) the Utah Inland Port Authority created in Section 11-58-201.
- 177 (2)(a) Any of the following may not divulge or make known in any manner any
- 178 information gained by that person from any return filed with the commission:
- 179 (i) a tax commissioner;
- 180 (ii) an agent, clerk, or other officer or employee of the commission; or
- 181 (iii) a representative, agent, clerk, or other officer or employee of any county, city, or
- 182 town.
- 183 (b) An official charged with the custody of a return filed with the commission is not
- 184 required to produce the return or evidence of anything contained in the return in any
- 185 action or proceeding in any court, except:
- 186 (i) in accordance with judicial order;
- 187 (ii) on behalf of the commission in any action or proceeding under:
- 188 (A) this title; or
- 189 (B) other law under which persons are required to file returns with the
- 190 commission;
- 191 (iii) on behalf of the commission in any action or proceeding to which the
- 192 commission is a party; or
- 193 (iv) on behalf of any party to any action or proceeding under this title if the report or
- 194 facts shown by the return are directly involved in the action or proceeding.
- 195 (c) Notwithstanding Subsection (2)(b), a court may require the production of, and may
- 196 admit in evidence, any portion of a return or of the facts shown by the return, as are
- 197 specifically pertinent to the action or proceeding.
- 198 (3) This section does not prohibit:
- 199 (a) a person or that person's duly authorized representative from receiving a copy of any
- 200 return or report filed in connection with that person's own tax;

- 201 (b) the publication of statistics as long as the statistics are classified to prevent the
202 identification of particular reports or returns; and
- 203 (c) the inspection by the attorney general or other legal representative of the state of the
204 report or return of any taxpayer:
- 205 (i) who brings action to set aside or review a tax based on the report or return;
206 (ii) against whom an action or proceeding is contemplated or has been instituted
207 under this title; or
208 (iii) against whom the state has an unsatisfied money judgment.
- 209 (4)(a) Notwithstanding Subsection (2) and for purposes of administration, the
210 commission may by rule, made in accordance with Title 63G, Chapter 3, Utah
211 Administrative Rulemaking Act, provide for a reciprocal exchange of information
212 with:
- 213 (i) the United States Internal Revenue Service; or
214 (ii) the revenue service of any other state.
- 215 (b) Notwithstanding Subsection (2) and for all taxes except individual income tax and
216 corporate franchise tax, the commission may by rule, made in accordance with Title
217 63G, Chapter 3, Utah Administrative Rulemaking Act, share information gathered
218 from returns and other written statements with the federal government, any other
219 state, any of the political subdivisions of another state, or any political subdivision of
220 this state, except as limited by Sections 59-12-209 and 59-12-210, if the political
221 subdivision, other state, or the federal government grant substantially similar
222 privileges to this state.
- 223 (c) Notwithstanding Subsection (2) and for all taxes except individual income tax and
224 corporate franchise tax, the commission may by rule, in accordance with Title 63G,
225 Chapter 3, Utah Administrative Rulemaking Act, provide for the issuance of
226 information concerning the identity and other information of taxpayers who have
227 failed to file tax returns or to pay any tax due.
- 228 (d) Notwithstanding Subsection (2), the commission shall provide to the director of the
229 Division of Environmental Response and Remediation, as defined in Section
230 19-6-402, as requested by the director of the Division of Environmental Response
231 and Remediation, any records, returns, or other information filed with the
232 commission under Chapter 13, Motor and Special Fuel Tax Act, or Section
233 19-6-410.5 regarding the environmental assurance program participation fee.
- 234 (e) Notwithstanding Subsection (2), at the request of any person the commission shall

- 235 provide that person sales and purchase volume data reported to the commission on a
236 report, return, or other information filed with the commission under:
- 237 (i) Chapter 13, Part 2, Motor Fuel; or
 - 238 (ii) Chapter 13, Part 4, Aviation Fuel.
- 239 (f) Notwithstanding Subsection (2), upon request from a tobacco product manufacturer,
240 as defined in Section 59-22-202, the commission shall report to the manufacturer:
- 241 (i) the quantity of cigarettes, as defined in Section 59-22-202, produced by the
242 manufacturer and reported to the commission for the previous calendar year under
243 Section 59-14-407; and
 - 244 (ii) the quantity of cigarettes, as defined in Section 59-22-202, produced by the
245 manufacturer for which a tax refund was granted during the previous calendar
246 year under Section 59-14-401 and reported to the commission under Subsection
247 59-14-401(1)(a)(v).
- 248 (g) Notwithstanding Subsection (2), the commission shall notify manufacturers,
249 distributors, wholesalers, and retail dealers of a tobacco product manufacturer that is
250 prohibited from selling cigarettes to consumers within the state under Subsection
251 59-14-210(2).
- 252 (h) Notwithstanding Subsection (2), the commission may:
- 253 (i) provide to the Division of Consumer Protection within the Department of
254 Commerce and the attorney general data:
 - 255 (A) reported to the commission under Section 59-14-212; or
 - 256 (B) related to a violation under Section 59-14-211; and
 - 257 (ii) upon request, provide to any person data reported to the commission under
258 Subsections 59-14-212(1)(a) through (c) and Subsection 59-14-212(1)(g).
- 259 (i) Notwithstanding Subsection (2), the commission shall, at the request of a committee
260 of the Legislature, the Office of the Legislative Fiscal Analyst, or the Governor's
261 Office of Planning and Budget, provide to the committee or office the total amount of
262 revenues collected by the commission under Chapter 24, Radioactive Waste Facility
263 Tax Act, for the time period specified by the committee or office.
- 264 (j) Notwithstanding Subsection (2), the commission shall make the directory required by
265 Section 59-14-603 available for public inspection.
- 266 (k) Notwithstanding Subsection (2), the commission may share information with federal,
267 state, or local agencies as provided in Subsection 59-14-606(3).
- 268 (l)(i) Notwithstanding Subsection (2), the commission shall provide the Office of

269 Recovery Services within the Department of Health and Human Services any
270 relevant information obtained from a return filed under Chapter 10, Individual
271 Income Tax Act, regarding a taxpayer who has become obligated to the Office of
272 Recovery Services.

273 (ii) The information described in Subsection (4)(l)(i) may be provided by the Office
274 of Recovery Services to any other state's child support collection agency involved
275 in enforcing that support obligation.

276 (m)(i) Notwithstanding Subsection (2), upon request from the state court
277 administrator, the commission shall provide to the state court administrator, the
278 name, address, telephone number, county of residence, and social security number
279 on resident returns filed under Chapter 10, Individual Income Tax Act.

280 (ii) The state court administrator may use the information described in Subsection
281 (4)(m)(i) only as a source list for the master jury list described in Section
282 78B-1-106.

283 (n)(i) As used in this Subsection (4)(n):

284 (A) "GOEO" means the Governor's Office of Economic Opportunity created in
285 Section 63N-1a-301.

286 (B) "Income tax information" means information gained by the commission that is
287 required to be attached to or included in a return filed with the commission
288 under Chapter 7, Corporate Franchise and Income Taxes, or Chapter 10,
289 Individual Income Tax Act.

290 (C) "Other tax information" means information gained by the commission that is
291 required to be attached to or included in a return filed with the commission
292 except for a return filed under Chapter 7, Corporate Franchise and Income
293 Taxes, or Chapter 10, Individual Income Tax Act.

294 (D) "Tax information" means income tax information or other tax information.

295 (ii)(A) Notwithstanding Subsection (2) and except as provided in Subsection
296 (4)(n)(ii)(B) or (C), the commission shall at the request of GOEO provide to
297 GOEO all income tax information.

298 (B) For purposes of a request for income tax information made under Subsection
299 (4)(n)(ii)(A), GOEO may not request and the commission may not provide to
300 GOEO a person's address, name, social security number, or taxpayer
301 identification number.

302 (C) In providing income tax information to GOEO, the commission shall in all

- 303 instances protect the privacy of a person as required by Subsection (4)(n)(ii)(B).
304 (iii)(A) Notwithstanding Subsection (2) and except as provided in Subsection
305 (4)(n)(iii)(B), the commission shall at the request of GOEO provide to GOEO
306 other tax information.
- 307 (B) Before providing other tax information to GOEO, the commission shall redact
308 or remove any name, address, social security number, or taxpayer identification
309 number.
- 310 (iv) GOEO may provide tax information received from the commission in accordance
311 with this Subsection (4)(n) only:
- 312 (A) as a fiscal estimate, fiscal note information, or statistical information; and
313 (B) if the tax information is classified to prevent the identification of a particular
314 return.
- 315 (v)(A) A person may not request tax information from GOEO under Title 63G,
316 Chapter 2, Government Records Access and Management Act, or this section,
317 if GOEO received the tax information from the commission in accordance with
318 this Subsection (4)(n).
- 319 (B) GOEO may not provide to a person that requests tax information in
320 accordance with Subsection (4)(n)(v)(A) any tax information other than the tax
321 information GOEO provides in accordance with Subsection (4)(n)(iv).
- 322 (o) Notwithstanding Subsection (2), the commission may provide to the governing board
323 of the agreement or a taxing official of another state, the District of Columbia, the
324 United States, or a territory of the United States:
- 325 (i) the following relating to an agreement sales and use tax:
- 326 (A) information contained in a return filed with the commission;
327 (B) information contained in a report filed with the commission;
328 (C) a schedule related to Subsection (4)(o)(i)(A) or (B); or
329 (D) a document filed with the commission; or
- 330 (ii) a report of an audit or investigation made with respect to an agreement sales and
331 use tax.
- 332 (p) Notwithstanding Subsection (2), the commission may provide information
333 concerning a taxpayer's state income tax return or state income tax withholding
334 information to the Driver License Division if the Driver License Division:
- 335 (i) requests the information; and
336 (ii) provides the commission with a signed release form from the taxpayer allowing

- 337 the Driver License Division access to the information.
- 338 (q) Notwithstanding Subsection (2), the commission shall provide to the Utah
339 Communications Authority, or a division of the Utah Communications Authority, the
340 information requested by the authority under Sections 63H-7a-302, 63H-7a-402, and
341 63H-7a-502.
- 342 (r) Notwithstanding Subsection (2), the commission shall provide to the Utah
343 Educational Savings Plan information related to a resident or nonresident individual's
344 contribution to a Utah Educational Savings Plan account as designated on the
345 resident or nonresident's individual income tax return as provided under Section
346 59-10-1313.
- 347 (s) Notwithstanding Subsection (2), for the purpose of verifying eligibility under
348 Sections 26B-3-106 and 26B-3-903, the commission shall provide an eligibility
349 worker with the Department of Health and Human Services or its designee with the
350 adjusted gross income of an individual if:
- 351 (i) an eligibility worker with the Department of Health and Human Services or its
352 designee requests the information from the commission; and
- 353 (ii) the eligibility worker has complied with the identity verification and consent
354 provisions of Sections 26B-3-106 and 26B-3-903.
- 355 (t) Notwithstanding Subsection (2), the commission may provide to a county, as
356 determined by the commission, information declared on an individual income tax
357 return in accordance with Section 59-10-103.1 that relates to eligibility to claim a
358 residential exemption authorized under Section 59-2-103.
- 359 (u) Notwithstanding Subsection (2), the commission shall provide a report regarding any
360 access line provider that is over 90 days delinquent in payment to the commission of
361 amounts the access line provider owes under Title 69, Chapter 2, Part 4, Prepaid
362 Wireless Telecommunications Service Charges, to the board of the Utah
363 Communications Authority created in Section 63H-7a-201.
- 364 (v) Notwithstanding Subsection (2), the commission shall provide the Department of
365 Environmental Quality a report on the amount of tax paid by a radioactive waste
366 facility for the previous calendar year under Section 59-24-103.5.
- 367 (w) Notwithstanding Subsection (2), the commission may, upon request, provide to the
368 Department of Workforce Services any information received under Chapter 10, Part
369 4, Withholding of Tax, that is relevant to the duties of the Department of Workforce
370 Services.

- 371 (x) Notwithstanding Subsection (2), the commission may provide the Public Service
372 Commission or the Division of Public Utilities information related to a seller that
373 collects and remits to the commission a charge described in Subsection 69-2-405(2),
374 including the seller's identity and the number of charges described in Subsection
375 69-2-405(2) that the seller collects.
- 376 (y)(i) Notwithstanding Subsection (2), the commission shall provide to each
377 qualifying jurisdiction the collection data necessary to verify the revenue collected
378 by the commission for a distributed tax, fee, or charge collected within the
379 qualifying jurisdiction.
- 380 (ii) In addition to the information provided under Subsection (4)(y)(i), the
381 commission shall provide a qualifying jurisdiction with copies of returns and other
382 information relating to a distributed tax, fee, or charge collected within the
383 qualifying jurisdiction.
- 384 (iii)(A) To obtain the information described in Subsection (4)(y)(ii), the chief
385 executive officer or the chief executive officer's designee of the qualifying
386 jurisdiction shall submit a written request to the commission that states the
387 specific information sought and how the qualifying jurisdiction intends to use
388 the information.
- 389 (B) The information described in Subsection (4)(y)(ii) is available only in official
390 matters of the qualifying jurisdiction.
- 391 (iv) Information that a qualifying jurisdiction receives in response to a request under
392 this subsection is:
- 393 (A) classified as a private record under Title 63G, Chapter 2, Government Records
394 Access and Management Act; and
- 395 (B) subject to the confidentiality requirements of this section.
- 396 (z) Notwithstanding Subsection (2), the commission shall provide the Alcoholic
397 Beverage Services Commission, upon request, with taxpayer status information
398 related to state tax obligations necessary to comply with the requirements described
399 in Section 32B-1-203.
- 400 (aa) Notwithstanding Subsection (2), the commission shall inform the Department of
401 Workforce Services, as soon as practicable, whether an individual claimed and is
402 entitled to claim a federal earned income tax credit for the year requested by the
403 Department of Workforce Services if:
- 404 (i) the Department of Workforce Services requests this information; and

- 405 (ii) the commission has received the information release described in Section
406 35A-9-604.
- 407 (bb)(i) As used in this Subsection (4)(bb), "unclaimed property administrator" means
408 the administrator or the administrator's agent, as those terms are defined in Section
409 67-4a-102.
- 410 (ii)(A) Notwithstanding Subsection (2), upon request from the unclaimed property
411 administrator and to the extent allowed under federal law, the commission shall
412 provide the unclaimed property administrator the name, address, telephone
413 number, county of residence, and social security number or federal employer
414 identification number on any return filed under Chapter 7, Corporate Franchise
415 and Income Taxes, or Chapter 10, Individual Income Tax Act.
- 416 (B) The unclaimed property administrator may use the information described in
417 Subsection (4)(bb)(ii)(A) only for the purpose of returning unclaimed property
418 to the property's owner in accordance with Title 67, Chapter 4a, Revised
419 Uniform Unclaimed Property Act.
- 420 (iii) The unclaimed property administrator is subject to the confidentiality provisions
421 of this section with respect to any information the unclaimed property
422 administrator receives under this Subsection (4)(bb).
- 423 (cc) Notwithstanding Subsection (2), the commission may, upon request, disclose a
424 taxpayer's state individual income tax information to a program manager of the Utah
425 Fits All Scholarship Program under Section 53F-6-402 if:
- 426 (i) the taxpayer consents in writing to the disclosure;
- 427 (ii) the taxpayer's written consent includes the taxpayer's name, social security
428 number, and any other information the commission requests that is necessary to
429 verify the identity of the taxpayer; and
- 430 (iii) the program manager provides the taxpayer's written consent to the commission.
- 431 (dd) Notwithstanding Subsection (2), the commission may provide to the Division of
432 Finance within the Department of Government Operations any information necessary
433 to facilitate a payment from the commission to a taxpayer, including:
- 434 (i) the name of the taxpayer entitled to the payment or any other person legally
435 authorized to receive the payment;
- 436 (ii) the taxpayer identification number of the taxpayer entitled to the payment;
- 437 (iii) the payment identification number and amount of the payment;
- 438 (iv) the tax year to which the payment applies and date on which the payment is due;

- 439 (v) a mailing address to which the payment may be directed; and
- 440 (vi) information regarding an account at a depository institution to which the
- 441 payment may be directed, including the name of the depository institution, the
- 442 type of account, the account number, and the routing number for the account.
- 443 (ee) Notwithstanding Subsection (2), the commission shall provide the total amount of
- 444 revenues collected by the commission under Subsection [59-5-202(5)] 59-5-202(7):
- 445 (i) at the request of a committee of the Legislature, the Office of the Legislative
- 446 Fiscal Analyst, or the Governor's Office of Planning and Budget, to the committee
- 447 or office for the time period specified by the committee or office; and
- 448 (ii) to the Division of Finance for purposes of the Division of Finance administering
- 449 Subsection [59-5-202(5)] 59-5-202(7).
- 450 (ff) Notwithstanding Subsection (2), the commission may provide the Department of
- 451 Agriculture and Food with information from a return filed in accordance with
- 452 Chapter 31, Cannabinoid Licensing and Tax Act.
- 453 (5)(a) Each report and return shall be preserved for at least three years.
- 454 (b) After the three-year period provided in Subsection (5)(a) the commission may
- 455 destroy a report or return.
- 456 (6)(a) Any individual who violates this section is guilty of a class A misdemeanor.
- 457 (b) If the individual described in Subsection (6)(a) is an officer or employee of the state,
- 458 the individual shall be dismissed from office and be disqualified from holding public
- 459 office in this state for a period of five years thereafter.
- 460 (c) Notwithstanding Subsection (6)(a) or (b), GOEO, when requesting information in
- 461 accordance with Subsection (4)(n)(iii), or an individual who requests information in
- 462 accordance with Subsection (4)(n)(v):
- 463 (i) is not guilty of a class A misdemeanor; and
- 464 (ii) is not subject to:
- 465 (A) dismissal from office in accordance with Subsection (6)(b); or
- 466 (B) disqualification from holding public office in accordance with Subsection
- 467 (6)(b).
- 468 (d) Notwithstanding Subsection (6)(a) or (b), for a disclosure of information to the
- 469 Office of the Legislative Auditor General in accordance with Title 36, Chapter 12,
- 470 Legislative Organization, an individual described in Subsection (2):
- 471 (i) is not guilty of a class A misdemeanor; and
- 472 (ii) is not subject to:

- 473 (A) dismissal from office in accordance with Subsection (6)(b); or
474 (B) disqualification from holding public office in accordance with Subsection
475 (6)(b).

476 (7) Except as provided in Section 59-1-404, this part does not apply to the property tax.

477 Section 4. Section **59-5-201** is amended to read:

478 **59-5-201 . Definitions.**

479 As used in this part:

480 (1)(a) "Metalliferous minerals" includes any ore, metal, or other substance containing
481 the following:

- 482 (i) aluminum;
- 483 (ii) antimony;
- 484 (iii) arsenic;
- 485 (iv) barium;
- 486 (v) beryllium;
- 487 (vi) bismuth;
- 488 (vii) boron;
- 489 (viii) cadmium;
- 490 (ix) calcium;
- 491 (x) cerium;
- 492 (xi) cesium;
- 493 (xii) chromium;
- 494 (xiii) cobalt;
- 495 (xiv) columbium;
- 496 (xv) copper;
- 497 (xvi) gallium;
- 498 (xvii) germanium;
- 499 (xviii) gold;
- 500 (xix) hafnium;
- 501 (xx) indium;
- 502 (xxi) iridium;
- 503 (xxii) iron;
- 504 (xxiii) lanthanum;
- 505 (xxiv) lead;
- 506 (xxv) lithium;

- 507 (xxvi) manganese;
- 508 (xxvii) mercury;
- 509 (xxviii) molybdenum;
- 510 (xxix) nickel;
- 511 (xxx) osmium;
- 512 (xxxi) palladium;
- 513 (xxxii) platinum;
- 514 (xxxiii) praseodymium;
- 515 (xxxiv) rare earth metals;
- 516 (xxxv) rhenium;
- 517 (xxxvi) rhodium;
- 518 (xxxvii) rubidium;
- 519 (xxxviii) ruthenium;
- 520 (xxxix) samarium;
- 521 (xl) scandium;
- 522 (xli) selenium;
- 523 (xlii) silicon;
- 524 (xliii) silver;
- 525 (xliv) sodium;
- 526 (xlv) strontium;
- 527 (xlvi) tantalum;
- 528 (xlvii) tellurium;
- 529 (xlviii) thallium;
- 530 (xlix) thorium;
- 531 (l) tin;
- 532 (li) titanium;
- 533 (lii) tungsten;
- 534 (liii) uranium;
- 535 (liv) vanadium;
- 536 (lv) yttrium;
- 537 (lvi) zinc; or
- 538 (lvii) zirconium.
- 539 (b) "Metalliferous minerals" does not include:
- 540 (i) chloride compounds or salts;

- 541 (ii) potash;
- 542 (iii) rock, sand, gravel, and stone products;
- 543 (iv) gypsum;
- 544 (v) sulfur or sulfuric acid;
- 545 (vi) gem stones;
- 546 (vii) ammonium nitrate;
- 547 (viii) carbon dioxide;
- 548 (ix) oil, gas, coal, and all carboniferous materials; or
- 549 (x) phosphate.
- 550 (2) "Mine" means an operation for extracting minerals and includes any deposit of valuable
- 551 metalliferous minerals that are being extracted from a natural deposit, or a secondary
- 552 source including tails, slag, waste dumps, or other similar secondary source, whether in
- 553 solution or otherwise.
- 554 (3) "Mining" means the act, process, or work of extracting minerals from their natural
- 555 occurring environment or from a mine, and transporting or moving those minerals to the
- 556 point of processing, use, or sale. "Mining" includes the process of leaching minerals
- 557 from their naturally occurring deposit.
- 558 (4) "Ore" means raw materials in their natural state or condition prior to beneficiation or
- 559 processing, and includes mined raw materials extracted prior to further processing.
- 560 "Ore" includes any metalliferous material whose metal content is less than 15% and does
- 561 not include any material whose metal content is 15% or greater.
- 562 (5) "Spot rate" means the prevailing price in United States dollars per troy ounce of gold, as
- 563 determined by a recognized financial market or exchange, for immediate settlement
- 564 transactions.

565 Section 5. Section **59-5-202** is amended to read:

566 **59-5-202 . Severance tax -- Rate -- Computation -- Annual exemption.**

- 567 (1) A person engaged in the business of mining or extracting metalliferous minerals in this
- 568 state shall pay to the state a severance tax equal to ~~[2.6% of]~~ the taxable value of all
- 569 metals or metalliferous minerals sold or otherwise disposed of~~[-]~~ , multiplied by:
- 570 (a) 2.6%; or
- 571 (b) 2.47%, if:
- 572 (i) the person pays the severance tax in gold as provided in this section; and
- 573 (ii)(A) for a person who operates a mine on January 1, 2026, the severance tax is
- 574 for a taxable year that begins on or after January 1, 2026, and before January 1,

575 2031; or
 576 (B) for a person who does not operate a mine as of January 1, 2026, the severance
 577 tax is for a taxable year that begins on or after January 1, 2026, and before
 578 January 1, 2041.

579 (2) If the metals or metalliferous minerals are shipped outside the state, this constitutes a
 580 sale, and the finished metals or the recoverable units of finished metals from the
 581 metalliferous minerals shipped are subject to the severance tax. If the metals or
 582 metalliferous minerals are stockpiled, the tax is not applicable until they are sold or
 583 shipped out of state. For purposes of the tax imposed by this chapter, uranium
 584 concentrates shall be considered to be finished metals. The owner of the metals or
 585 metalliferous minerals that are stockpiled shall report to the commission annually, in a
 586 form acceptable to the commission, the amount of metalliferous minerals so stockpiled.
 587 Metals or metalliferous minerals that are stockpiled for more than two years, however,
 588 are subject to the severance tax.

589 (3) An annual exemption from the payment of the tax imposed by this chapter upon the first
 590 \$50,000 in gross value of the metalliferous mineral is allowed to each mine.

591 (4) These taxes are in addition to all other taxes provided by law and are delinquent, unless
 592 otherwise deferred, on June 1 next succeeding the calendar year when the metalliferous
 593 mineral is produced and sold or delivered.

594 (5)(a) A person may pay the severance tax imposed under this section by remitting to the
 595 state treasurer an amount of gold equivalent in value to the taxes owed.

596 (b) The state treasurer shall calculate the value of gold remitted under this Subsection (5)
 597 based on the average spot rate over the three months preceding the day on which the
 598 payment is due.

599 (c) The state treasurer may not accept gold, unless the gold satisfies internationally
 600 recognized investment grade purity standards, as determined by the state treasurer.

601 (6) When the state treasurer receives gold under Subsection (5), the state treasurer shall
 602 notify:

603 (a) the commission of the payment, including any information the commission requests;
 604 and

605 (b) the Division of Finance of the value of the gold received.

606 [~~5~~] (7)(a) As used in this Subsection [~~5~~] (7):

607 (i) "Great Salt Lake element or mineral" means a metalliferous mineral, metal, ore,
 608 chloride compound, potash, or salt mined or extracted from the brines of the Great

- 609 Salt Lake.
- 610 (ii) "Great Salt Lake elevation" means the same as that term is defined in Section
611 65A-17-101.
- 612 (iii) "Great Salt Lake extraction operator" means a person whois engaged in the
613 business of mining or extracting Great Salt Lake elements or minerals or
614 metalliferous compounds from the brine of the Great Salt Lake.
- 615 (iv) For purposes of each tax imposed under Subsection [~~(5)(b)~~] (7)(b), "incremental
616 revenue" means the difference between the sum of the revenue collected for the
617 fiscal year from each of the tax rates imposed under Subsection [~~(5)(b)~~] (7)(b) and
618 the revenue collected for the fiscal year from the tax rate imposed under
619 Subsection (1).
- 620 (v) "Metalliferous compound" means a metalliferous mineral or a chloride compound
621 or salt containing a metalliferous mineral.
- 622 (b) Notwithstanding the exclusion for chloride compounds or salts from the definition of
623 metalliferous minerals under Section 59-5-201and in lieu of the severance tax
624 imposed under Subsection (1), beginning with calendar year 2025, a Great Salt Lake
625 extraction operator shall pay to the state a severance tax in accordance with the
626 following:
- 627 (i) for a Great Salt Lake extraction operator that is not a party or a third-party
628 beneficiary to a voluntary agreement for water rights with an approved beneficial
629 use by a division as defined in Section 73-3-30, a severance tax equal to 7.8% of
630 the taxable value of Great Salt Lake elements or minerals or metalliferous
631 compounds sold or otherwise disposed of;
- 632 (ii) for a Great Salt Lake extraction operator that is not a party or a third-party
633 beneficiary to a voluntary agreement for water rights with an approved beneficial
634 use by a division as defined in Section 73-3-30, but does not use evaporative
635 concentrations of Great Salt Lake brines in any stage of the extractive process, a
636 severance tax equal to 2.6% of the taxable value of Great Salt Lake elements or
637 minerals or metalliferous compounds sold or otherwise disposed of; or
- 638 (iii) for a Great Salt Lake extraction operator that is a party or a third-party
639 beneficiary to a voluntary agreement for water rights with an approved beneficial
640 use by a division as defined in Section 73-3-30:
- 641 (A) a severance tax equal to 2.6% of the taxable value of Great Salt Lake elements
642 or minerals sold or otherwise disposed of, if the Great Salt Lake elements or

643 minerals are extracted during a calendar year when the Great Salt Lake
 644 elevation recorded pursuant to Section 65A-17-306 was at or above 4,198 feet
 645 in the prior calendar year; or

646 (B) a severance tax does not apply to the taxable value of Great Salt Lake
 647 elements or minerals sold or otherwise disposed of, if those Great Salt Lake
 648 elements or minerals are sold or otherwise disposed of in a calendar year when
 649 the Great Salt Lake elevation recorded pursuant to Section 65A-17-306 was
 650 below 4,198 feet in the prior calendar year; and

651 (iv) notwithstanding Subsection [~~(5)(b)(iii)~~] (7)(b)(iii), for a Great Salt Lake
 652 extraction operator that is a party or third-party beneficiary to a voluntary
 653 agreement for water rights with an approved beneficial use by a division as
 654 defined in Section 73-3-30, a severance tax equal to 2.6% of the taxable value of a
 655 metalliferous compound sold or otherwise disposed of under a royalty agreement
 656 issued under Subsection 65A-6-4(2)(d), entered into on or after May 1, 2024.

657 (c)(i) Subject to Subsection [~~(5)(e)(ii)~~] (7)(c)(ii), the Division of Finance shall deposit
 658 the incremental revenue in accordance with Section 51-9-305.

659 (ii) The Division of Finance shall consider the incremental revenue required to be
 660 deposited under Subsection [~~(5)(e)(i)~~] (7)(c)(i) to be the first revenue collected
 661 under this chapter for the fiscal year.

662 (iii) The Division of Finance shall deposit the incremental revenue that remains after
 663 making the deposit required by Subsection [~~(5)(e)(i)~~] (7)(c)(i) into the Sovereign
 664 Lands Management Account created in Section 65A-5-1.

665 (d) This Subsection [~~(5)~~] (7) may not be interpreted to:

666 (i) excuse a person from paying a severance tax in accordance with the other
 667 provisions of this part; or

668 (ii) void a mineral lease or royalty agreement.

669 (e) A person extracting metalliferous minerals, including a metalliferous compound,
 670 from the brine of the Great Salt Lake is subject to the payment of a royalty agreement
 671 under Section 65A-6-4 and the payment of a severance tax under this part.

672 Section 6. Section **59-5-203** is amended to read:

673 **59-5-203 . Determining taxable value.**

674 (1) Except as provided in Subsection (3), the basis for computing the gross proceeds, prior
 675 to those deductions or adjustments specified in this chapter, in determining the taxable
 676 value of the metals, metalliferous minerals, or metalliferous compounds, as defined in

677 Subsection [~~59-5-202(5)~~] 59-5-202(7), sold or otherwise disposed of, in the order of
678 priority, is as follows:

679 (a) If the metals, metalliferous mineral products, or metalliferous compounds are
680 actually sold, the value of those metals, metalliferous mineral products, or
681 metalliferous compounds shall be the gross amount the producer receives from that
682 sale, provided that the metals, metalliferous mineral products, or metalliferous
683 compounds are sold under a bona fide contract of sale between unaffiliated parties.
684 In the case of a sale of uranium concentrates, gross proceeds shall be the gross
685 amount the producer receives from the sale of processed uranium concentrate or
686 "yellowcake," provided that the uranium concentrate is sold under a bona fide
687 contract of sale between unaffiliated parties.

688 (b)(i) For purposes of a Great Salt Lake extraction operator, as defined in Section
689 59-5-202, if metals, metalliferous minerals, or metalliferous compounds are not
690 sold, but are otherwise disposed of, the gross proceeds shall be the multiple of the
691 recoverable units of finished or unfinished metals, or of the finished or unfinished
692 metals contained in the metalliferous minerals or metalliferous compounds
693 shipped, and the average daily price per unit of contained metals as quoted by an
694 established authority for market prices of metals for the period during which the
695 tax imposed by this chapter is due.

696 (ii) The established authority or authorities under this Subsection (1)(b) shall be
697 designated by the commission by rule adopted in accordance with Title 63G,
698 Chapter 3, Utah Administrative Rulemaking Act.

699 (c)(i) If the metals, metalliferous mineral products, or metalliferous compounds are
700 not actually sold but are shipped, transported, or delivered out of state, the gross
701 proceeds shall be the multiple of the recoverable units of finished metals, or of the
702 finished metals contained in the metalliferous minerals or metalliferous
703 compounds shipped, and the average daily price per unit of contained metals as
704 quoted by an established authority for market prices of metals for the period
705 during which the tax imposed by this chapter is due.

706 (ii) The established authority or authorities shall be designated by the commission by
707 rule adopted in accordance with Title 63G, Chapter 3, Utah Administrative
708 Rulemaking Act.

709 (d) In the case of metals, metalliferous minerals, or metalliferous compounds not sold,
710 but otherwise disposed of, for which there is no established authority for market

711 prices of metals for the period during which the tax imposed by this chapter is due,
 712 gross proceeds is determined by allocating to the state the same proportion of the
 713 producer's total sales of metals, metalliferous minerals, or metalliferous compounds
 714 sold or otherwise disposed of as the producer's total Utah costs bear to the total costs
 715 associated with sale or disposal of the metal or metalliferous mineral.

716 (e) In the event of a sale of metals, metalliferous minerals, or metalliferous compounds
 717 between affiliated companies which is not a bona fide sale because the value received
 718 is not proportionate to the fair market value of the metals, metalliferous minerals,
 719 metalliferous compounds or in the event that Subsection (1)(a), (b), (c), or (d) are not
 720 applicable, the commission shall determine the value of such metals, metalliferous
 721 minerals, or metalliferous compounds in an equitable manner by reference to an
 722 objective standard as specified in a rule adopted in accordance with the provisions of
 723 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

724 (2) For all metals except beryllium, the taxable value of the metalliferous mineral sold or
 725 otherwise disposed of is 30% of the gross proceeds received for the metals sold or
 726 otherwise disposed of by the producer of the metal.

727 (3) Notwithstanding Subsection (1) or (4), the taxable value of beryllium sold or otherwise
 728 disposed of by the producer of the beryllium is equal to 125% of the direct mining costs
 729 incurred in mining the beryllium.

730 (4) Except as provided in Subsection (3), if the metalliferous mineral sold or otherwise
 731 disposed of is sold or shipped out of state in the form of ore, then the taxable value is
 732 80% of the gross proceeds.

733 Section 7. Section **59-5-207** is amended to read:

734 **59-5-207 . Date tax due -- Extensions -- Installment payments -- Penalty on**
 735 **delinquencies -- Audit.**

736 (1) The tax imposed by this chapter is due and payable on or before June 1 of the year next
 737 succeeding the calendar year when the mineral is produced and sold or delivered.

738 (2) The commission may, for good cause shown upon a written application by the taxpayer,
 739 extend the time of payment of the whole or any part of the tax for a period not to exceed
 740 six months. If an extension is granted, interest at the rate and in the manner prescribed
 741 in Section 59-1-402 shall be charged and added to the amount of the deferred payment
 742 of the tax.

743 (3) Every taxpayer subject to this chapter whose total tax obligation for the preceding
 744 calendar year was \$3,000 or more shall pay the taxes assessed under this chapter in

745 quarterly installments. Each installment shall be based on the estimated gross value
 746 received by the taxpayer during the quarter preceding the date on which the installment
 747 is due.

748 (4) The quarterly installments are due as follows:

749 (a) for January 1 through March 31, on or before June 1;

750 (b) for April 1 through June 30, on or before September 1;

751 (c) for July 1 through September 30, on or before December 1; and

752 (d) for October 1 through December 31, on or before March 1 of the next year.

753 (5)(a) If the taxpayer fails to report and pay any tax when due, the taxpayer is subject to
 754 the penalties provided under Section 59-1-401, unless otherwise provided in
 755 Subsection (6).

756 (b) An underpayment exists if less than 80% of the tax due for a quarter is paid.

757 (6) The penalty for failure to pay the tax due or underpayment of tax may not be assessed if
 758 the taxpayer's quarterly tax installment payment equals 25% of the tax reported and paid
 759 by the taxpayer for the preceding taxable year.

760 (7) There shall be no interest added to any estimated tax payments subject to a penalty
 761 under this section.

762 (8) The commission may conduct audits to determine whether any tax is owed under this
 763 section.

764 (9) For purposes of a Great Salt Lake extraction operator under Subsection [~~59-5-202(5)~~]
 765 59-5-202(7), the Division of Forestry, Fire, and State Lands shall provide the
 766 commission by January 15 of each year the information required by Section 65A-17-306,
 767 that the commission shall use to determine the amount due and payable on June 1 of the
 768 year next succeeding the calendar year.

769 Section 8. Section **59-5-215** is amended to read:

770 **59-5-215 . Disposition of taxes collected -- Credit to General Fund.**

771 (1) Except as provided in Section 51-9-305, 51-9-306, or 51-9-307, or Subsection
 772 59-5-202(5) or (7), a tax imposed and collected under Section 59-5-202 shall be paid to
 773 the commission, promptly remitted to the state treasurer, and credited to the General
 774 Fund.

775 (2) Upon receipt of a notice described in Subsection 59-5-202(6)(b), the Division of
 776 Finance shall:

777 (a) credit from the General Fund Budget Reserve Account created in Section 63J-1-312
 778 an amount equal to the value of the gold to severance tax revenue collected under this

779 part; and
 780 (b) distribute the credited money in the same manner as severance tax revenue collected
 781 under this part.

782 Section 9. Section **59-7-504** is amended to read:

783 **59-7-504 . Estimated tax payments -- Penalty -- Waiver.**

784 (1) Except as provided in Subsection (2), a corporation subject to taxation under this
 785 chapter that has a tax liability of \$3,000 or more in either the current tax year or the
 786 previous tax year shall make a payment of an estimated tax on or before the day on
 787 which the corporation is required to make a payment of an estimated tax for the same
 788 time period to the federal government.

789 (2) The provisions of Section 6655, Internal Revenue Code, shall govern the payment
 790 described in Subsection (1), except that:

791 (a) for the first year a corporation is required to file a return in Utah, that corporation is
 792 not subject to Subsection (1) if the corporation makes a payment on or before the due
 793 date of the return, without extensions, equal to or greater than the minimum tax
 794 required under Section 59-7-104 or 59-7-201;

795 (b) the applicable percentage of the required annual payment, as defined in Section
 796 6655, Internal Revenue Code, for annualized income installments, adjusted seasonal
 797 installments, and those estimated tax payments based on the current year tax liability
 798 shall be:

	Installment	Percentage
800	1st	22.5
801	2nd	45.0
802	3rd	67.5
803	4th	90.0

804 (c) a large corporation shall be treated as any other corporation for purposes of this
 805 section;

806 (d) if a taxpayer elects a different annualization period than the one used for federal
 807 purposes, the taxpayer shall make an election with the commission at the same time
 808 as provided under Section 6655, Internal Revenue Code; and

809 (e) the due date shall be superseded by the due date for federal estimated payments if
 810 modified by other federal action.

811 (3) A penalty shall be added as provided in Section 59-1-401 for any quarterly estimated

812 tax payment that is not made in accordance with this section.

813 (4) There shall be no interest added to any estimated tax payments subject to a penalty
814 under this section.

815 (5)(a) As used in this Subsection (5), "spot rate" means the prevailing price in United
816 States dollars per troy ounce of gold, as determined by a recognized financial market
817 or exchange, for immediate settlement transactions.

818 (b)(i) A corporation may pay taxes due under this chapter by remitting to the state
819 treasurer an amount of gold equivalent in value to the tax due.

820 (ii) The state treasurer shall calculate the value of the gold remitted under this
821 Subsection (5) based on the average spot rate over the three months preceding the
822 day on which the payment is due.

823 (iii) The state treasurer may not accept gold, unless the gold satisfies internationally
824 recognized investment grade purity standards, as determined by the state treasurer.

825 (c) When the state treasurer receives gold under this Subsection (5), the state treasurer
826 shall notify:

827 (i) the commission of the payment, including any information the commission
828 requests; and

829 (ii) the Division of Finance of the value of the gold received.

830 Section 10. Section **59-7-532** is amended to read:

831 **59-7-532 . Revenue received by commission -- Deposit with state treasurer --**

832 **Distribution or crediting to Income Tax Fund -- Refund claim payments.**

833 (1)(a) The commission shall deposit at least quarterly all revenue collected or received
834 by the commission under this chapter with the state treasurer.

835 (b) The commission shall, subject to the refund provisions of this section, distribute or
836 credit, at least quarterly and based on a pro rata share of Income Tax Fund and
837 Uniform School Fund appropriations for the current fiscal year, the revenue
838 described in Subsection (1)(a) to:

839 (i) the Income Tax Fund; and

840 (ii) the Uniform School Fund in accordance with Section 53F-9-201.1.

841 (c) The commission may credit to or draw from the Income Tax Fund and the Uniform
842 School Fund:

843 (i) annually to adjust for differences between estimates and actual amounts; or

844 (ii) in the proportion described in Subsection (1)(b) to issue a refund.

845 (2) The commission shall from time to time certify to the state auditor the amount of any

846 refund authorized by it, the amount of interest computed on it under the provisions of
847 Section 59-7-533, from whom the tax to be refunded was collected, or by whom it was
848 paid, and such refund claims shall be paid in order out of the funds first accruing to the
849 Income Tax Fund from the provisions of this section.

850 (3) Upon receipt of a notice described in Subsection 59-7-504(5)(c), the Division of
851 Finance shall credit from the Income Tax Fund Budget Reserve Account created in
852 Section 63J-1-313 an amount equal to the value of the gold and deposit the money as
853 provided in this section, as though the money were revenue collected or received by the
854 commission under this chapter.

855 Section 11. Section **59-7-536** is amended to read:

856 **59-7-536 . Relief in case of suspension or forfeiture.**

857 (1)(a) Any corporation which has suffered the suspension or forfeiture referred to in
858 Section 59-7-534 may be relieved from that suspension or forfeiture by applying for
859 that relief in writing, paying the tax and the interest and penalties for nonpayment of
860 which the suspension or forfeiture occurred, and paying a reinstatement fee of \$100.
861 If the corporation has done business in this state during the period of such
862 suspension, a tax shall be computed according to this chapter for each year in which
863 the business was done, and the tax shall be added to the delinquency and penalties
864 provided in this section. If the due date of any return required in this section has not
865 passed, a return need not be filed until that due date.

866 (b) Application for revivor may be made by any stockholder or creditor of the
867 corporation or by a majority of the surviving trustees or directors, and the same shall
868 be filed with the Division of Corporations and Commercial Code. Upon payment[~~to~~
869 ~~the commission~~] of the taxes, penalties, and reinstatement fee provided for in this
870 section, the Division of Corporations and Commercial Code shall issue a certificate
871 of revivor, and the applicant shall be revived. The revivor shall be without prejudice
872 to any action, defense, or right which has accrued by reason of the original
873 suspension or forfeiture. The certificate of revivor is prima facie evidence of the
874 revivor.

875 (2) If any corporation has adopted, subsequent to such suspension or forfeiture, any name
876 so closely resembling the name of the reviving corporation as will tend to deceive, then
877 the reviving corporation is entitled to a certificate of revivor pursuant to the terms of this
878 section only upon adopting a new name, and in such case nothing in this section may be
879 construed as permitting the reviving corporation to carry on any business under its

880 former name. The reviving corporation may use its former name or may take the new
 881 name only upon filing an application for it with the Division of Corporations and
 882 Commercial Code, and upon the issuing of a certificate to such corporation by the
 883 Division of Corporations and Commercial Code, setting forth the right of such
 884 corporation to take such new name or use its former name as the case may be. The
 885 Division of Corporations and Commercial Code may not issue any certificate permitting
 886 any corporation to take or use the name of any corporation already organized in this
 887 state and which has not suffered a forfeiture, or take or use a name so closely resembling
 888 the name of any corporation already organized in this state as will tend to deceive.

889 Section 12. Section **59-7-627** is enacted to read:

890 **59-7-627 . Nonrefundable tax credit for payment in gold.**

891 (1) As used in this section, "qualified taxpayer" means a taxpayer that:

892 (a) is a mine as defined in Section 59-5-201; and

893 (b) pays in gold the taxes owed under this chapter for the fiscal year, as allowed under
 894 Section 59-7-504.

895 (2) A qualified taxpayer may claim a nonrefundable tax credit equal to 5% of the taxes
 896 owed under this chapter for the taxable year as follows:

897 (a) for a mine in operation on January 1, 2026, a taxable year that begins on or after
 898 January 1, 2026, and before January 1, 2031; or

899 (b) for a mine that is not in operation on January 1, 2026, a taxable year that begins on
 900 or after January 1, 2026, and before January 1, 2041.

901 Section 13. Section **59-10-514** is amended to read:

902 **59-10-514 . Return filing requirements -- Rulemaking authority.**

903 (1)(a) Subject to Subsection (3) and Section 59-10-518:

904 (i) an individual income tax return filed for a tax imposed in accordance with Part 1,
 905 Determination and Reporting of Tax Liability and Information, shall be filed with
 906 the commission on or before the day on which a federal individual income tax
 907 return is due;

908 (ii) a fiduciary income tax return filed for a tax imposed in accordance with Part 2,
 909 Trusts and Estates, shall be filed with the commission on or before the day on
 910 which a federal return for estates and trusts is due; or

911 (iii) a return filed in accordance with Section 59-10-507 shall be filed with the
 912 commission on or before the later of:

913 (A) the 15th day of the fourth month following the last day of the taxpayer's

914 taxable year; or
 915 (B) the day on which the taxpayer is required to file a federal income tax return.

916 (b) Interest accrues from the day on which a return is due under this Subsection (1).

917 (2) A person required to make and file a return under this chapter shall, without assessment,
 918 notice, or demand, pay any tax due[?] as provided in Section 59-10-520.

919 [~~(a) to the commission; and]~~

920 [~~(b) before the due date for filing the return, without regard to any extension of time for~~
 921 ~~filing the return.]~~

922 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 923 commission may make rules prescribing what constitutes filing a return with the
 924 commission.

925 Section 14. Section **59-10-520** is amended to read:

926 **59-10-520 . Time and place for paying tax shown on returns.**

927 (1) [~~When]~~ Subject to Subsection (3), when a return of tax is required under this chapter or
 928 rules, the person required to make such return shall, without assessment or notice and
 929 demand from the commission, pay such tax to the commission office with which the
 930 return is filed, and shall pay such tax at the time and place fixed for filing the return
 931 (determined without regard to any extension of time).

932 (2) In any case where a tax is required to be paid on or before a certain date, or within a
 933 certain period, any reference in this chapter to the date fixed for payment of such tax
 934 shall be deemed a reference to the last day fixed for such payment (determined without
 935 regard to any extension of time for paying the tax).

936 (3)(a) As used in this Subsection (3), "spot rate" means the prevailing price in United
 937 States dollars per troy ounce of gold, as determined by a recognized financial market
 938 or exchange, for immediate settlement transactions.

939 (b)(i) A person may pay the tax due by remitting to the state treasurer an amount of
 940 gold equivalent in value to the tax due.

941 (ii) The state treasurer shall calculate the value of the gold remitted under this
 942 Subsection (3) based on the average spot rate over the three months preceding the
 943 day on which the tax is due.

944 (iii) The state treasurer may not accept gold, unless the gold satisfies internationally
 945 recognized investment grade purity standards, as determined by the state treasurer.

946 (c) When the state treasurer receives gold under this Subsection (3), the state treasurer
 947 shall notify:

948 (i) the commission of the payment, including any information the commission
 949 requests; and

950 (ii) the Division of Finance of the value of the gold received.

951 Section 15. Section **59-10-544** is amended to read:

952 **59-10-544 . General powers and duties of the commission -- Deposit, distribution,**
 953 **or credit of revenues -- Refund reverts to state under certain circumstances.**

954 (1)(a) The commission shall administer and enforce a tax imposed under this chapter for
 955 which purpose it may divide the state into districts in each of which a branch office
 956 of the commission may be maintained.

957 (b) A county may not be divided in forming a district.

958 (2)(a) The commission shall deposit at least quarterly all revenue collected or received
 959 by the commission under this chapter with the state treasurer.

960 (b) Subject to Sections 59-10-529 and 59-10-531, the commission shall distribute and
 961 credit, at least quarterly and based on a pro rata share of Income Tax Fund and
 962 Uniform School Fund appropriations for the current fiscal year, the revenue
 963 described in Subsection (2)(a) to:

964 (i) the Income Tax Fund; and

965 (ii) the Uniform School Fund in accordance with Section 53F-9-201.1.

966 (c) The commission may credit to or draw from the Income Tax Fund and the Uniform
 967 School Fund:

968 (i) annually to adjust for differences between estimates and actual amounts; or

969 (ii) in the proportion described in Subsection (2)(b) to issue a refund.

970 (d) If a refund the commission makes is not claimed within two years from the date the
 971 commission issues the refund:

972 (i) the refund reverts to the state to be credited to the Income Tax Fund; and

973 (ii) no further claim may be made on the commission for the amount of the refund.

974 (3) Upon receipt of a notice described in Subsection 59-10-520(3)(c), the Division of
 975 Finance shall credit from the Income Tax Fund Budget Reserve Account created in
 976 Section 63J-1-313 an amount equal to the value of the gold and deposit the money as
 977 provided in Subsection (2), as though the money were revenue collected or received by
 978 the commission under this chapter.

979 Section 16. Section **59-10-1048** is enacted to read:

980 **59-10-1048 . Nonrefundable tax credit for payment in gold.**

981 (1) As used in this section, "qualified claimant" means a claimant who:

982 (a) is a mine as defined in Section 59-5-201; and
 983 (b) pays in gold the taxes owed under this chapter for the fiscal year, as allowed under
 984 Section 59-7-504.

985 (2) A qualified claimant may claim a nonrefundable tax credit equal to 5% of the taxes
 986 owed under this chapter for the taxable year as follows:

987 (a) for a mine in operation on January 1, 2026, a taxable year that begins on or after
 988 January 1, 2026, and before January 1, 2031; or

989 (b) for a mine that is not in operation on January 1, 2026, a taxable year that begins on
 990 or after January 1, 2026, and before January 1, 2041.

991 Section 17. Section **65A-6-4** is amended to read:

992 **65A-6-4 . Mineral leases -- Multiple leases on same land -- Rentals and royalties**
 993 **-- Lease terms -- Great Salt Lake.**

994 (1) As used in this section:

995 (a) "Great Salt Lake element or mineral" means:

996 (i) a rare earth element;

997 (ii) a trace element or mineral; or

998 (iii) a chemical compound that includes a rare earth element or trace element or
 999 mineral.

1000 (b) "Operator" means, for purposes of provisions applicable to the extraction of a Great
 1001 Salt Lake element or mineral, a person qualified to do business in the state who is
 1002 pursuing the extraction of a Great Salt Lake element or mineral.

1003 (c) "Rare earth element" is one of the following ores, minerals, or elements located in
 1004 the brines or the sovereign lands of the Great Salt Lake:

1005 (i) lanthanum;

1006 (ii) cerium;

1007 (iii) praseodymium;

1008 (iv) neodymium;

1009 (v) samarium;

1010 (vi) europium;

1011 (vii) gadolinium;

1012 (viii) terbium;

1013 (ix) dysprosium;

1014 (x) holmium;

1015 (xi) erbium;

- 1016 (xii) thulium;
1017 (xiii) ytterbium;
1018 (xiv) lutetium; and
1019 (xv) yttrium.
- 1020 (d) "Trace element or mineral" means an element or mineral that is located in the brines
1021 or the sovereign lands of the Great Salt Lake that is not in production by July 1, 2020,
1022 and for which the state has not received a royalty payment by July 1, 2020.
- 1023 (2)(a) Mineral leases, including oil, gas, and hydrocarbon leases, may be issued for
1024 prospecting, exploring, developing, and producing minerals covering any portion of
1025 state lands or the reserved mineral interests of the state.
- 1026 (b)(i) Leases may be issued for different types of minerals on the same land.
- 1027 (ii) If leases are issued for different types of minerals on the same land, the leases
1028 shall include stipulations for simultaneous operations, except that for leases
1029 related to the Great Salt Lake the leases shall include stipulations for simultaneous
1030 operations that will not interfere with, impede, limit, or require changes to
1031 pre-existing rights.
- 1032 (c) No more than one lease may be issued for the same resource on the same land.
- 1033 (d) The division shall require a separate royalty agreement for extraction of Great Salt
1034 Lake elements or minerals from brines of the Great Salt Lake when:
- 1035 (i) a mineral lease, a royalty agreement, or both that are in effect before the operator
1036 seeks to extract a particular Great Salt Lake element or mineral do not expressly
1037 include the right to extract the particular Great Salt Lake element or mineral; or
- 1038 (ii) the proposed operation will use brines from the Great Salt Lake, but will not
1039 occupy sovereign lands for the direct production of Great Salt Lake elements or
1040 minerals other than for incidental structures such as pumps and intake and outflow
1041 pipelines.
- 1042 (3)(a) Each mineral lease issued by the division shall provide for an annual rental of not
1043 less than \$1 per acre per year, except that a mineral lease issued by the division
1044 involving the extraction of a Great Salt Lake element or mineral from brines in the
1045 Great Salt Lake shall provide for an annual rental of not less than \$100 per acre per
1046 year.
- 1047 (b) However, a lease may provide for a rental credit, minimum rental, or minimum
1048 royalty upon commencement of production, as prescribed by rule.
- 1049 (4) The primary term of a mineral lease may not exceed:

- 1050 (a) 20 years for oil shale and tar sands; and
1051 (b) 10 years for oil and gas and any other mineral.
- 1052 (5)(a) In addition to the requirements of Chapter 17, Part 3, Mineral or Element
1053 Extraction, and subject to the other provisions of this Subsection (5), for a mineral
1054 lease or royalty agreement involving the extraction of Great Salt Lake elements and
1055 minerals from brines in the Great Salt Lake, the division shall ensure that the
1056 following terms, as applicable, are included:
- 1057 (i) an extraction operation or extraction method shall adhere to commercially viable
1058 technologies that minimize water depletion;
 - 1059 (ii) a provision authorizing the division to curtail or limit Great Salt Lake element or
1060 mineral production at any time the condition of the Great Salt Lake reaches the
1061 emergency trigger, as defined in Section 65A-17-101;
 - 1062 (iii) a provision authorizing the division to withdraw lands, operations, extraction
1063 methods, or technologies from Great Salt Lake element or mineral production or
1064 Great Salt Lake element or mineral operations;
 - 1065 (iv) a provision allowing the division to require an existing operator to use
1066 commercially viable, innovative technologies to minimize water depletions caused
1067 by the planned mineral extraction as a condition of continued operations if the
1068 technology:
 - 1069 (A) has been successfully implemented on a commercial scale in similar
1070 circumstances;
 - 1071 (B) has been shown to be economically viable; and
 - 1072 (C) is reasonably compatible with the operator's overall extraction process; and
 - 1073 (v) a provision that provides for the reductions of the following after the primary
1074 term of a mineral lease or royalty agreement:
 - 1075 (A) the acreage subject to the mineral lease by the acreage the operator does not
1076 use to extract a Great Salt Lake element or mineral during the primary term of
1077 the mineral lease under conditions that do not constitute waste, as defined in
1078 Section 65A-17-101; and
 - 1079 (B) the volume of water that the operator may divert from the Great Salt Lake, by
1080 the volume of water that the operator does not use during the longer of the
1081 primary term of the mineral lease or seven years if the operator fails to use the
1082 volume of water for a beneficial use, except if the failure to use the volume of
1083 water is as a result of a reduction of water usage under Section 73-33-201 or is

- 1084 excused under Section 73-1-4.
- 1085 (b) If under Subsection (5)(a)(iv) the division requires an existing operator to use a
1086 commercially viable, innovative technology, the division may not require use of a
1087 technology not yet proven to be commercially viable on the Great Salt Lake and may
1088 not require implementation of the technology to begin until after a reasonable period
1089 determined by the division that is at least five years but does not exceed seven years.
- 1090 (c)(i) If the volume of water that the operator may divert from the Great Salt Lake is
1091 reduced under Subsection (5)(a)(v), the division shall pursue a judicial action to
1092 declare all or a portion of the water right forfeited under Subsection 73-1-4(2).
- 1093 (ii) If the division secures the reduction under this Subsection (5)(c), the division
1094 shall petition the state engineer to order a reversal of the application approval in
1095 accordance with the terms of the reduction or forfeiture of the water right.
- 1096 (iii) Nothing in this Subsection (5) modifies or otherwise affects Section 73-1-4 or
1097 73-3-30.
- 1098 (6)(a) Before issuing a royalty agreement under Subsection (2)(d), the division may
1099 require an operator to engage in a feasibility assessment and may issue a royalty
1100 agreement without compliance of Subsection (5)(a) if the agreement:
- 1101 (i) has a term of 12 months or less; and
- 1102 (ii) limits use of brines from the Great Salt Lake to a maximum of five acre-feet
1103 during the term of the agreement.
- 1104 (b) The division may make rules, in accordance with Title 63G, Chapter 3, Utah
1105 Administrative Rulemaking Act, for implementing this Subsection (6).
- 1106 (7)(a) Upon nomination from a prospective operator, the division shall by rule, made in
1107 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1108 establish a royalty rate and calculation methodology for a Great Salt Lake element or
1109 mineral that:
- 1110 (i) provides for a full and fair return to the state from the production of the Great Salt
1111 Lake element or mineral;
- 1112 (ii) is consistent with market royalty rates applicable to the production of the Great
1113 Salt Lake element or mineral or of the production of oil and gas;
- 1114 (iii) provides a base royalty rate;
- 1115 (iv) provides a reduced royalty rate from the royalty rate under Subsection (7)(a)(iii)
1116 if the royalty agreement:
- 1117 (A) relates to a non-evaporative method of producing the Great Salt Lake element

- 1118 or mineral; or
- 1119 (B) provides an incentive to use commercially viable, innovative technology to
- 1120 minimize water depletion and evaporation as determined by the division;
- 1121 (v) provides a reduced royalty rate from the royalty rate under Subsection (7)(a)(iii) if
- 1122 the prospective operator for the extraction of lithium demonstrates to the
- 1123 satisfaction of the division that the prospective operator has an agreement with a
- 1124 person who will process or manufacture a product in this state, exclusive of any
- 1125 primary or secondary lithium processing or manufacturing, using the lithium
- 1126 extracted by the prospective operator; and
- 1127 (vi) subject to Subsection (7)(e), provides for a royalty rate that is based on the
- 1128 highest market value prevailing at the time of the sale or disposal of the following:
- 1129 (A) the Great Salt Lake element or mineral; or
- 1130 (B) a product the lessee produces from the Great Salt Lake element or mineral.
- 1131 (b) Before entering into a royalty agreement permitting the extraction of Great Salt Lake
- 1132 elements or minerals, the operator shall:
- 1133 (i) demonstrate the proposed operation's commercial viability;
- 1134 (ii) certify before operation begins that the operator is not negatively impacting the
- 1135 biota or chemistry of the Great Salt Lake; and
- 1136 (iii) obtain the approval of the division and the Department of Environmental Quality
- 1137 that the certification supports a finding that the operation will not negatively
- 1138 impact the biota or chemistry of the Great Salt Lake.
- 1139 (c) A new mineral lease for a Great Salt Lake element or mineral in production in the
- 1140 Great Salt Lake as of May 3, 2023, is subject to new royalty rates due to emergent
- 1141 technologies.
- 1142 (d) An operator who as of July 1, 2020, had a mineral lease with the division but not a
- 1143 royalty agreement and who is subject to a severance tax under Subsection [~~59-5-202~~
- 1144 ~~(5)~~ 59-5-202(7)] shall pay a royalty under this section in addition to the severance tax.
- 1145 (e) The royalty rate described in Subsection (7)(a)(vi) may not be reassessed during the
- 1146 primary term of an initial royalty agreement issued under this section, but may be
- 1147 reassessed upon the conclusion of the primary term.
- 1148 (8)(a) Except as provided in Subsection (8)(b), an operator who extracts a Great Salt
- 1149 Lake element or mineral from tailings from the production of Great Salt Lake
- 1150 elements or minerals from brines in the Great Salt Lake is subject to this section to
- 1151 the same extent as an operator producing a Great Salt Lake element or mineral from

- 1152 brines in the Great Salt Lake.
- 1153 (b) An operator that, as of May 3, 2023, has an agreement to recover a Great Salt Lake
1154 element or mineral from existing tailings, discarded material, end-use products, or
1155 waste products produced from the evaporation and processing of Great Salt Lake
1156 brines is not subject to this section, except as to the payment of royalties set by the
1157 division under Subsection (7)(a). The division shall make rules, in accordance with
1158 Title 63G, Chapter 3, Utah Administrative Rulemaking Act, regarding the issuance
1159 and termination of a royalty agreement for mineral extraction from tailings, discarded
1160 material, end-use products, or waste products produced from the evaporation and
1161 processing of Great Salt Lake brines.
- 1162 (c) An operator that, as of May 3, 2023, has an underlying agreement to recover a Great
1163 Salt Lake element or mineral shall obtain an additional agreement for any additional
1164 Great Salt Lake element or mineral produced from the tailings, discarded material,
1165 end-use products, or waste products newly produced under the underlying agreement.
1166 The additional agreement is subject to this section.
- 1167 (9) The division shall annually report to the Natural Resources, Agriculture, and
1168 Environmental Quality Appropriations Subcommittee regarding the amount of money
1169 collected under this section from royalties provided for in Subsection (7).
- 1170 (10)(a) In the issuance of royalty agreements for the extraction of lithium from the Great
1171 Salt Lake, the division shall prioritize applicants that do not use evaporative
1172 concentration of Great Salt Lake brines in any stage of the extractive process.
- 1173 (b) The division may make rules, in accordance with Title 63G, Chapter 3, Utah
1174 Administrative Rulemaking Act, creating a process for implementing this Subsection
1175 (10).
- 1176 (11) Except in relationship to mineral leases related to the Great Salt Lake, the division
1177 shall make rules regarding the continuation of a mineral lease after the primary term has
1178 expired, which shall provide that a mineral lease shall continue so long as:
- 1179 (a) the mineral covered by the lease is being produced in paying quantities from:
- 1180 (i) the leased premises;
- 1181 (ii) lands pooled, communitized, or unitized with the leased premises; or
- 1182 (iii) lands constituting an approved mining or drilling unit with respect to the leased
1183 premises; or
- 1184 (b)(i) the lessee is engaged in diligent operations, exploration, research, or
1185 development which is reasonably calculated to advance development or

- 1186 production of the mineral covered by the lease from:
- 1187 (A) the leased premises;
- 1188 (B) lands pooled, communitized, or unitized with the leased premises; or
- 1189 (C) lands constituting an approved mining or drilling unit with respect to the
- 1190 leased premises; and
- 1191 (ii) the lessee pays a minimum royalty.
- 1192 (12) For the purposes of Subsection (11), diligent operations with respect to oil, gas, and
- 1193 other hydrocarbon leases may include cessation of operations not in excess of 90 days in
- 1194 duration.
- 1195 (13)(a) The division shall study and analyze each mineral lease and mineral royalty
- 1196 agreement issued on the Great Salt Lake and compare and evaluate whether the
- 1197 mineral leases and royalty agreements are representative of current market
- 1198 conditions. As part of this study, the division shall:
- 1199 (i) make the following determinations for mineral leases:
- 1200 (A) whether the entire surface area described within the mineral lease is being
- 1201 used; and
- 1202 (B) whether the annual lease payments are representative of current market
- 1203 conditions; and
- 1204 (ii) for royalty agreements, perform studies and comparative analyses to determine
- 1205 whether the state is receiving royalty rates consistent with current market
- 1206 conditions.
- 1207 (b) By no later than the 2023 November interim meeting, the division shall report the
- 1208 division's findings of the study required by this Subsection (13) to the Natural
- 1209 Resources, Agriculture, and Environment Interim Committee.
- 1210 (14) The division may make rules, in accordance with Title 63G, Chapter 3, Utah
- 1211 Administrative Rulemaking Act, for implementing this section.
- 1212 (15) The provisions in this section related to extraction of a Great Salt Lake element or
- 1213 mineral under a mineral lease or royalty agreement apply to a mineral lease or royalty
- 1214 agreement in effect on May 1, 2024, and any mineral lease or royalty agreement entered
- 1215 into after May 1, 2024.
- 1216 Section 18. Section **65A-17-306** is amended to read:
- 1217 **65A-17-306 . Certification of eligibility for tax rates.**
- 1218 (1) As used in this section:
- 1219 (a) "Great Salt Lake element or mineral" means the same as that term is defined in

- 1220 Subsection [~~59-5-202(5)~~] 59-5-202(7).
- 1221 (b) "Great Salt Lake extraction operator" means the same as that term is defined in
1222 Subsection [~~59-5-202(5)~~] 59-5-202(7).
- 1223 (2)(a) A Great Salt Lake extraction operator shall by no later than December 31 of each
1224 year certify to the division for purposes of determining a severance tax imposed
1225 under Subsection [~~59-5-202(5)~~] 59-5-202(7) during the next succeeding calendar year,
1226 the information listed in Subsection (2)(b).
- 1227 (b) The Great Salt Lake extraction operator shall certify the following for the calendar
1228 year ending on the date the Great Salt Lake extraction operator submits the
1229 certification for purposes of determining a severance tax imposed during the next
1230 succeeding calendar year:
- 1231 (i) the Great Salt Lake extraction operator's name;
- 1232 (ii) the Great Salt Lake extraction operator's tax identification number;
- 1233 (iii) whether at the time a Great Salt Lake element or mineral is extracted, the Great
1234 Salt Lake extraction operator is a party or a third-party beneficiary to a voluntary
1235 agreement for water rights with an approved beneficial use by a division as
1236 defined in Section 73-3-30;
- 1237 (iv) if the Great Salt Lake extraction operator is not a party or third-party beneficiary
1238 to a voluntary agreement for water rights with an approved beneficial use by a
1239 division as defined in Section 73-3-30, whether the Great Salt Lake extraction
1240 operator uses evaporative concentrations of Great Salt Lake brines in any stage of
1241 the Great Salt Lake extraction operator's extractive process;
- 1242 (v) whether the Great Salt Lake extraction operator extracted a Great Salt Lake
1243 element or mineral when the Great Salt Lake elevation recorded under Subsection
1244 (3) is at or above 4,198 feet, and what the Great Salt Lake element or mineral
1245 extracted was; and
- 1246 (vi) other information as determined by the division by rule made in accordance with
1247 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 1248 (c) A Great Salt Lake extraction operator shall submit the certification on a form
1249 provided by the division and approved by the State Tax Commission.
- 1250 (3) The division shall record the Great Salt Lake elevation for purposes of this section and
1251 Subsection [~~59-5-202(5)~~] 59-5-202(7) as of June 15 to be applied during the next
1252 succeeding calendar year.
- 1253 (4) The division shall forward to the State Tax Commission by no later than January 15 of

- 1254 the year for which the severance tax shall be determined:
- 1255 (a) the Great Salt Lake elevation level recorded under Subsection (3);
- 1256 (b) a list of the Great Salt Lake extraction operators who are subject to a severance tax
- 1257 under Subsection [~~59-5-202(5)~~] 59-5-202(7);
- 1258 (c) the Great Salt Lake extraction operator's tax identification number for each Great
- 1259 Salt Lake extraction operator listed in Subsection (4)(b); and
- 1260 (d) for each Great Salt Lake extraction operator subject to a severance tax under
- 1261 Subsection [~~59-5-202(5)~~] 59-5-202(7):
- 1262 (i) each Great Salt Lake element or mineral or metalliferous compound extracted by
- 1263 the Great Salt Lake extraction operator that is subject to the severance tax; and
- 1264 (ii) the rate of severance tax that is to be imposed under Subsection [~~59-5-202(5)~~]
- 1265 59-5-202(7).
- 1266 (5) The division may audit a certification submitted under this section for completeness and
- 1267 accuracy.
- 1268 (6) The division may take an enforcement action against a Great Salt Lake extraction
- 1269 operator who violates this section.
- 1270 Section 19. **Effective Date.**
- 1271 This bill takes effect on May 7, 2025.