



Recycling Market Development Zone Tax Credit



Doug Hansen, Director

UTAH CODES

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In 1996, the Utah Legislature passed the **Recycling Market Development Zone (RMDZ) Act** to provide environmental and economic benefits to Utah businesses and citizens.



4.95% Non refundable Tax Credit

on the purchase price of machinery and equipment used directly in commercial composting; or manufacturing facilities or plant units that manufacture, process, compound, or produce recycled items of tangible personal property for sale, or reduce or reuse post-consumer waste material

20% Utah Income Tax Credit (up to \$2,000)

on eligible operating expenses, including payments made to third parties for rent, wages, supplies, tools, test inventory, and utilities, for establishing and operating recycling or composting technology in Utah.

2020 \$434,500 | 2021 \$653,700

approved annual RMDZ credit applications



REQUIREMENTS

Municipality / County Zone Designation

Every Utah municipality and county is eligible to submit an application to designate a Recycling Market Development Zone.

- Identification of Local Contribution
- Summary of Local Recycling Program
- Support from Local Elected Officials
- Recycling Market Development Plan

Business Tax Credit Application

Qualifying purchases and expenditures must be certified by the Department of Environmental Quality.

- Complete RMDZ Worksheet
- Complete Tax Form TG-40R
- Submit Worksheet, Tax Form, Accompanying Receipts & Certification Statement
- Verification & Letter Approval or Denial Is Issued



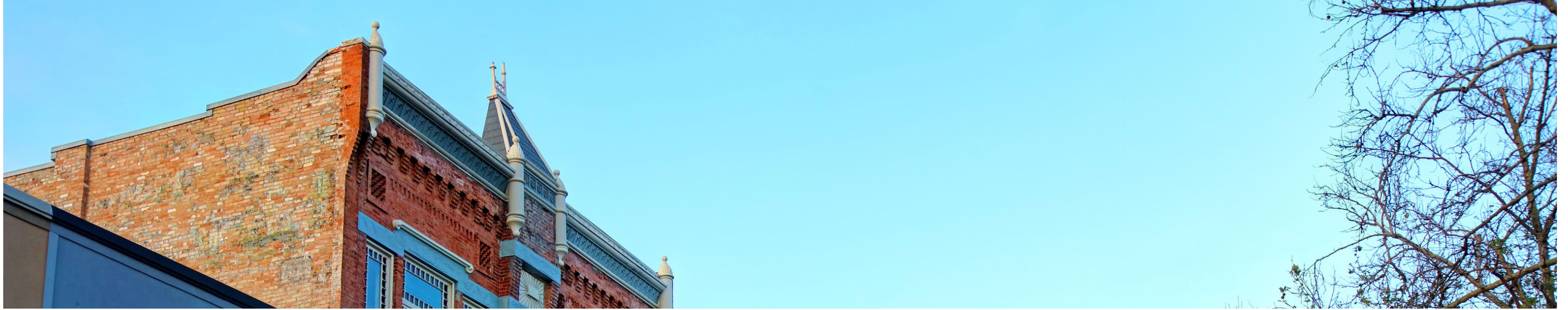
The purpose of the RMDZ credit:

- Provide tax credits to businesses that reuse materials that would otherwise be waste
 - Increase recycling by individuals
 - Stimulate economic growth
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Benefits to the state include:

- Access to recycling centers
- Profitable businesses using recycled materials
- Creation of jobs in recycling and manufacturing
- Preservation of landfill space





Thank You



Doug Hansen,
Director

801-536-0203
djhansen@utah.gov