

**Effective 5/10/2016**

**Superseded 7/17/2016**

**59-10-1030 Nonrefundable alternative energy manufacturing tax credit.**

- (1) As used in this section:
  - (a) "Alternative energy entity" means the same as that term is defined in Section 63N-2-702.
  - (b) "Alternative energy manufacturing project" means the same as that term is defined in Section 63N-2-702.
  - (c) "New incremental job with the state" means the same as that term is defined in Section 63N-2-702.
  - (d) "New state revenues" means the same as that term is defined in Section 63N-2-702.
  - (e) "Office" means the Governor's Office of Economic Development.
- (2) Subject to the other provisions of this section, an alternative energy entity may claim a nonrefundable tax credit for alternative energy manufacturing as provided in this section.
- (3) The tax credit under this section is the amount listed as the tax credit amount on a tax credit certificate that the office issues under Title 63N, Chapter 2, Part 7, Alternative Energy Manufacturing Tax Credit Act, to the alternative energy entity for the taxable year.
- (4) An alternative energy entity may carry forward a tax credit under this section for a period that does not exceed the next seven taxable years if:
  - (a) the alternative energy entity is allowed to claim a tax credit under this section for a taxable year; and
  - (b) the amount of the tax credit exceeds the alternative energy entity's tax liability under this chapter for that taxable year.
- (5)
  - (a) On or before October 1, 2017, and every five years after October 1, 2017, the Revenue and Taxation Interim Committee shall study the tax credit allowed by this section and make recommendations to the Legislative Management Committee concerning whether the tax credit should be continued, modified, or repealed.
  - (b) For purposes of the study required by this Subsection (5), the office shall provide the following information to the Revenue and Taxation Interim Committee by electronic means:
    - (i) the amount of tax credit that the office grants to each alternative energy entity for each taxable year;
    - (ii) the new state revenues generated by each alternative energy manufacturing project;
    - (iii) estimates for each of the next five calendar years of the following:
      - (A) the amount of tax credits that the office will grant;
      - (B) the amount of new state revenues that will be generated; and
      - (C) the number of new incremental jobs within the state that will be generated;
    - (iv) the information contained in the office's latest report to the Legislature under Section 63N-2-705; and
    - (v) any other information that the Revenue and Taxation Interim Committee requests.
  - (c) The Revenue and Taxation Interim Committee shall ensure that its recommendations under Subsection (5)(a) include an evaluation of:
    - (i) the cost of the tax credit to the state;
    - (ii) the purpose and effectiveness of the tax credit; and
    - (iii) the extent to which the state benefits from the tax credit.