

**Effective 3/1/2016**

**Superseded 7/17/2016**

**59-10-1037 Nonrefundable enterprise zone tax credit.**

- (1) As used in this section:
  - (a) "Business entity" means a claimant, estate, or trust that meets the definition of "business entity" as that term is defined in Section 63N-2-202.
  - (b) "Office" means the Governor's Office of Economic Development created in Section 63N-1-201.
- (2) Subject to the provisions of this section, a business entity may claim a nonrefundable enterprise zone tax credit as described in Section 63N-2-213.
- (3) The enterprise zone tax credit under this section is the amount listed as the tax credit amount on the tax credit certificate that the office issues to the business entity for the taxable year.
- (4) A business entity may carry forward a tax credit under this section for a period that does not exceed the next three taxable years, if the amount of the tax credit exceeds the business entity's tax liability under this chapter for that taxable year.
- (5) A business entity may not claim or carry forward a tax credit available under this part for a taxable year during which the business entity has claimed the targeted business income tax credit available under Section 63N-2-305.
- (6)
  - (a) On or before October 1, 2018, and every five years after October 1, 2018, 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to the Legislative Management Committee concerning whether the tax credit should be continued, modified, or repealed.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 (6), the office shall provide by electronic means the following information for each calendar year to the Revenue and Taxation Interim Committee:
    - (i) the amount of tax credits provided in each development zone;
    - (ii) the number of new full-time employee positions reported to obtain tax credits in each development zone;
    - (iii) the amount of tax credits awarded for rehabilitating a building in each development zone;
    - (iv) the amount of tax credits awarded for investing in a plant, equipment, or other depreciable property in each development zone;
    - (v) the information related to the tax credit contained in the office's latest report to the Legislature under Section 63N-1-301; and
    - (vi) other information as requested by the Revenue and Taxation Interim Committee.
  - (c) The Revenue and Taxation Interim Committee shall ensure that its recommendations under Subsection (6)(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.