

**Effective 7/17/2016**

**59-10-1107 Refundable economic development 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 defined in Section 63N-2-103.
  - (b) "New incremental jobs" means the same as that term is defined in Section 63N-2-103.
  - (c) "New state revenues" means the same as that term is defined in Section 63N-2-103.
  - (d) "Office" means the Governor's Office of Economic Development.
- (2) Subject to the other provisions of this section, a business entity may claim a refundable tax credit for economic development.
- (3) The 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) In accordance with any rules prescribed by the commission under Subsection (4)(b), the commission shall make a refund to a business entity that claims a tax credit under this section if the amount of the tax credit exceeds the business entity's tax liability for a taxable year.
  - (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules providing procedures for making a refund to a business entity as required by Subsection (4)(a).
- (5)
  - (a) In accordance with Section 59-10-137, the Revenue and Taxation Interim Committee shall study the tax credit allowed by this section and make recommendations concerning whether the tax credit should be continued, modified, or repealed.
  - (b) Except as provided in Subsection (5)(c), for purposes of the study required by this Subsection (5), the office shall provide the following information, if available to the office, to the Revenue and Taxation Interim Committee by electronic means:
    - (i) the amount of tax credit the office grants to each taxpayer for each calendar year;
    - (ii) the criteria the office uses in granting a tax credit;
    - (iii) the new state revenues generated by each taxpayer for each calendar year;
    - (iv) estimates for each of the next three 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;
    - (v) the information contained in the office's latest report under Section 63N-2-106; and
    - (vi) any other information that the Revenue and Taxation Interim Committee requests.
  - (c)
    - (i) In providing the information described in Subsection (5)(b), the office shall redact information that identifies a recipient of a tax credit under this section.
    - (ii) If, notwithstanding the redactions made under Subsection (5)(c)(i), reporting the information described in Subsection (5)(b) might disclose the identity of a recipient of a tax credit, the office may file a request with the Revenue and Taxation Interim Committee to provide the information described in Subsection (5)(b) in the aggregate for all taxpayers that receive the tax credit under this section.
  - (d) The Revenue and Taxation Interim Committee shall ensure that the recommendations described in 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.

Amended by Chapter 1, 2016 Special Session 3