

59-10-126 Business entities not subject to tax -- Exceptions.

- (1) A business entity that is taxable as a corporation for federal income tax purposes:
 - (a) may not be subject to the tax imposed by this chapter; and
 - (b) is subject to Chapter 7, Corporate Franchise and Income Taxes.
- (2) A business entity that is exempt from federal income taxation is exempt from the tax imposed by this chapter.
- (3) Notwithstanding Subsection (2), if a business entity that is exempt from federal income taxation has income that is subject to federal income taxation, that income is subject to taxation under Chapter 7, Corporate Franchise and Income Taxes.

Amended by Chapter 389, 2008 General Session