

Superseded 7/1/2016

59-7-614.1 Refundable tax credit for hand tools used in farming operations -- Procedures for refund -- Transfers from General Fund to Education Fund -- Rulemaking authority.

(1) For taxable years beginning on or after January 1, 2004, a taxpayer may claim a refundable tax credit:

- (a) as provided in this section;
- (b) against taxes otherwise due under this chapter; and
- (c) in an amount equal to the amount of tax the taxpayer pays:
 - (i) on a purchase of a hand tool:
 - (A) if the purchase is made on or after July 1, 2004;
 - (B) if the hand tool is used or consumed primarily and directly in a farming operation in the state; and
 - (C) if the unit purchase price of the hand tool is more than \$250; and
 - (ii) under Chapter 12, Sales and Use Tax Act, on the purchase described in Subsection (1)(c)(i).

(2) A taxpayer:

- (a) shall retain the following to establish the amount of tax the resident or nonresident individual paid under Chapter 12, Sales and Use Tax Act, on the purchase described in Subsection (1)(c)(i):
 - (i) a receipt;
 - (ii) an invoice; or
 - (iii) a document similar to a document described in Subsection (2)(a)(i) or (ii); and
- (b) may not carry forward or carry back a tax credit under this section.

(3)

- (a) In accordance with any rules prescribed by the commission under Subsection (3)(b), the commission shall:
 - (i) make a refund to a taxpayer that claims a tax credit under this section if the amount of the tax credit exceeds the taxpayer's tax liability under this chapter; and
 - (ii) transfer at least annually from the General Fund into the Education Fund an amount equal to the amount of tax credit claimed under this section.
- (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules providing procedures for making:
 - (i) a refund to a taxpayer as required by Subsection (3)(a)(i); or
 - (ii) transfers from the General Fund into the Education Fund as required by Subsection (3)(a)(i).