

Renumbered 5/12/2015

63M-1-2403 Definitions.

As used in this part:

- (1) "Business entity" means a person that enters into an agreement with the office to initiate a new commercial project in Utah that will qualify the person to receive a tax credit under Section 59-7-614.2 or 59-10-1107.
- (2) "Community development and renewal agency" is as defined in Section 17C-1-102.
- (3) "Development zone" means an economic development zone created under Section 63M-1-2404.
- (4) "High paying jobs" means:
 - (a) with respect to a business entity, the annual wages of employment positions in a business entity that compare favorably against the average wage of a community in which the employment positions will exist;
 - (b) with respect to a county, the annual wages of employment positions in a new commercial project within the county that compare favorably against the average wage of the county in which the employment positions will exist; or
 - (c) with respect to a city or town, the annual wages of employment positions in a new commercial project within the city or town that compare favorably against the average wages of the city or town in which the employment positions will exist.
- (5) "Local government entity" means a county, city, or town that enters into an agreement with the office to have a new commercial project that:
 - (a) is initiated within the county's, city's, or town's boundaries; and
 - (b) qualifies the county, city, or town to receive a tax credit under Section 59-7-614.2.
- (6)
 - (a) "New commercial project" means an economic development opportunity that involves new or expanded industrial, manufacturing, distribution, or business services in Utah.
 - (b) "New commercial project" does not include retail business.
- (7) "New incremental jobs" means employment positions that are:
 - (a) not shifted from one jurisdiction in the state to another jurisdiction in the state; and
 - (b)
 - (i) with respect to a business entity, created in addition to the baseline count of employment positions that existed within the business entity before the new commercial project;
 - (ii) with respect to a county, created as a result of a new commercial project with respect to which the county or a community development and renewal agency seeks to claim a tax credit under Section 59-7-614.2; or
 - (iii) with respect to a city or town, created as a result of a new commercial project with respect to which the city, town, or a community development and renewal agency seeks to claim a tax credit under Section 59-7-614.2.
- (8) "New state revenues" means:
 - (a) with respect to a business entity:
 - (i) incremental new state sales and use tax revenues that a business entity pays under Title 59, Chapter 12, Sales and Use Tax Act, as a result of a new commercial project in a development zone;
 - (ii) incremental new state tax revenues, if any, that a business entity pays as a result of a new commercial project in a development zone under:
 - (A) Title 59, Chapter 7, Corporate Franchise and Income Taxes;
 - (B) Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information;
 - (C) Title 59, Chapter 10, Part 2, Trusts and Estates;

- (D) Title 59, Chapter 10, Part 4, Withholding of Tax; or
- (E) a combination of Subsections (8)(a)(ii)(A) through (D);
- (iii) incremental new state tax revenues paid as individual income taxes under Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information, by employees of a new or expanded industrial, manufacturing, distribution, or business service within a new commercial project as evidenced by payroll records that indicate the amount of employee income taxes withheld and transmitted to the State Tax Commission by the new or expanded industrial, manufacturing, distribution, or business service within the new commercial project; or
- (iv) a combination of Subsections (8)(a)(i) through (iii); or
- (b) with respect to a local government entity:
 - (i) incremental new state sales and use tax revenues that are collected under Title 59, Chapter 12, Sales and Use Tax Act, as a result of a new commercial project in a development zone;
 - (ii) incremental new state tax revenues, if any, that are collected as a result of a new commercial project in a development zone under:
 - (A) Title 59, Chapter 7, Corporate Franchise and Income Taxes;
 - (B) Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information;
 - (C) Title 59, Chapter 10, Part 2, Trusts and Estates;
 - (D) Title 59, Chapter 10, Part 4, Withholding of Tax; or
 - (E) a combination of Subsections (8)(b)(ii)(A) through (D);
 - (iii) incremental new state tax revenues paid as individual income taxes under Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information, by employees of a new or expanded industrial, manufacturing, distribution, or business service within a new commercial project as evidenced by payroll records that indicate the amount of employee income taxes withheld and transmitted to the State Tax Commission by the new or expanded industrial, manufacturing, distribution, or business service within the new commercial project; or
 - (iv) a combination of Subsections (8)(b)(i) through (iii).
- (9) "Office" means the Governor's Office of Economic Development.
- (10) "Significant capital investment" means an amount of at least \$10,000,000 to purchase a capital asset or a fixed asset:
 - (a) with the primary purpose of the investment to increase a business entity's rate at which it produces goods based on output per unit of labor;
 - (b) that represents an expansion of existing Utah operations; and
 - (c) that maintains or increases the business entity's existing Utah work force.
- (11) "Tax credit" means an economic development tax credit created by Section 59-7-614.2 or 59-10-1107.
- (12) "Tax credit amount" means the amount the office lists as a tax credit on a tax credit certificate for a taxable year.
- (13) "Tax credit certificate" means a certificate issued by the office that:
 - (a) lists the name of the business entity, local government entity, or community development and renewal agency to which the office authorizes a tax credit;
 - (b) lists the business entity's, local government entity's, or community development and renewal agency's taxpayer identification number;
 - (c) lists the amount of tax credit that the office authorizes the business entity, local government entity, or community development and renewal agency for the taxable year; and
 - (d) may include other information as determined by the office.