

Effective 5/14/2019

Superseded 7/1/2021

63N-2-503 Agreement for development of new convention hotel -- Convention incentive authorized -- Agreement requirements.

- (1) The office, with the board's advice, may enter into an agreement with a qualified hotel owner or a host local government:
 - (a) for the development of a qualified hotel; and
 - (b) to authorize a convention incentive:
 - (i) to the qualified hotel owner or host local government, but not both;
 - (ii) for a period not to exceed the eligibility period;
 - (iii) in the amount of new tax revenue, subject to Subsection (2) and notwithstanding any other restriction provided by law;
 - (iv) if:
 - (A) the county in which the qualified hotel is proposed to be located has issued an endorsement letter endorsing the qualified hotel owner; and
 - (B) all applicable requirements of this part and the agreement are met; and
 - (v) that is reduced by \$1,900,000 per year during the first two years of the eligibility period, as described in Subsection (2)(c).
- (2) An agreement under Subsection (1) shall:
 - (a) specify the requirements for the qualified hotel owner or host local government to qualify for a convention incentive;
 - (b) require compliance with the terms of the endorsement letter issued by the county in which the qualified hotel is proposed to be located;
 - (c) require the amount of certified claims for the first two years of the eligibility period to be reduced by \$1,900,000 per year;
 - (d) with respect to the state portion of the convention incentive:
 - (i) specify the maximum dollar amount that the qualified hotel owner or host local government may receive, subject to a maximum of:
 - (A) for any calendar year, the amount of the state portion in that calendar year; and
 - (B) \$75,000,000 in the aggregate for the qualified hotel owner or host local government during an eligibility period, calculated as though the two \$1,900,000 reductions of the tax credit amount under Subsection (1)(b)(iv) had not occurred; and
 - (ii) specify the maximum percentage of the state portion that may be used in calculating the portion of the convention incentive that the qualified hotel owner or host local government may receive during the eligibility period for each calendar year and in the aggregate;
 - (e) establish a shorter period of time than the period described in Subsection 63N-2-502(10)(a) during which the qualified hotel owner or host local government may claim the convention incentive or that the host agency may be paid incremental property tax revenue, if the office and qualified hotel owner or host local government agree to a shorter period of time;
 - (f) require the qualified hotel owner to retain books and records supporting a claim for the convention incentive as required by Section 59-1-1406;
 - (g) allow the transfer of the agreement to a third party if the third party assumes all liabilities and responsibilities in the agreement;
 - (h) limit the expenditure of funds received under the convention incentive as provided in Section 63N-2-512; and
 - (i) require the qualified hotel owner or host local government to submit to any audit and to provide any audit level attestation or other level of review the office considers appropriate for verification of any claim.

(3) Notwithstanding any other provision of law, a county or city in which a qualified hotel is located may contribute property to the qualified hotel owner or host local government without consideration, to be used as provided in Subsection 63N-2-508(3)(a).