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79-6-602 Definitions.

As used in this part:

- (1) "Applicant" means a person that conducts business in the state and that applies for a tax credit under this part.
- (2)
 - (a) "Energy delivery project" means a project that is designed to:
 - (i) increase the capacity for the delivery of energy to a user of energy inside or outside the state;
 - (ii) increase the capability of an existing energy delivery system or related facility to deliver energy to a user of energy inside or outside the state; or
 - (iii) increase the production and delivery of geothermal energy through horizontal drilling to create injection and production wells.
 - (b) "Energy delivery project" includes:
 - (i) a hydroelectric energy storage system;
 - (ii) a utility-scale battery storage system; or
 - (iii) a nuclear power generation system.
- (3) "Emissions reduction project" means a project that is designed to reduce the emissions of an existing electrical generation facility, refinery, smelter, kiln, mineral processing facility, manufacturing facility, oil or gas production facility, or other industrial facility, by utilizing selective catalytic reduction technology, carbon capture utilization and sequestration technology, or any other emissions reduction technology or equipment.
- (4) "Fuel standard compliance project" means a project designed to retrofit a fuel refinery in order to make the refinery capable of producing fuel that complies with the United States Environmental Protection Agency's Tier 3 gasoline sulfur standard described in 40 C.F.R. Sec. 79.54.
- (5) "High cost infrastructure project" means:
 - (a) for an energy delivery project, fuel standard compliance project, mineral processing project, or underground mine infrastructure project, a project:
 - (i)
 - (A) that expands or creates new industrial, mining, manufacturing, or agriculture activity in the state, not including a retail business;
 - (B) that involves new investment of at least \$50,000,000 made by an existing industrial, mining, manufacturing, or agriculture entity located within a county of the first or second class;
 - (C) that involves new investment of at least \$25,000,000 made by an existing industrial, mining, manufacturing, or agriculture entity located within a county of the third, fourth, fifth, or sixth class, or a municipality with a population of 10,000 or less located within a county of the second class; or
 - (D) for the construction of a plant or other facility for the storage or production of fuel used for transportation, electricity generation, or industrial use;
 - (ii) that requires or is directly facilitated by infrastructure construction; and
 - (iii) for which the cost of infrastructure construction to the entity creating the project is greater than:
 - (A) 10% of the total cost of the project; or
 - (B) \$10,000,000; and

- (b) for an emissions reduction project, water purification project, or water resource forecasting project, a project:
 - (i) that involves:
 - (A) new investment of at least \$50,000,000 made by an existing industrial, mining, manufacturing, or agriculture entity located within a county of the first or second class; or
 - (B) new investment of at least \$25,000,000 made by an existing industrial, mining, manufacturing, or agriculture entity located within a county of the third, fourth, fifth, or sixth class, or a municipality with a population of 10,000 or less located within a county of the second class; and
 - (ii) that requires or is directly facilitated by infrastructure construction.
- (6) "Infrastructure" means:
 - (a) an energy delivery project;
 - (b) a railroad as defined in Section 54-2-1;
 - (c) a fuel standard compliance project;
 - (d) a road improvement project;
 - (e) a water self-supply project;
 - (f) a water removal system project;
 - (g) a solution-mined subsurface salt cavern;
 - (h) a project that is designed to:
 - (i) increase the capacity for water delivery to a water user in the state; or
 - (ii) increase the capability of an existing water delivery system or related facility to deliver water to a water user in the state;
 - (i) an underground mine infrastructure project;
 - (j) an emissions reduction project;
 - (k) a mineral processing project;
 - (l) a water purification project; or
 - (m) a water resource forecasting project.
- (7)
 - (a) "Infrastructure cost-burdened entity" means an applicant that enters into an agreement with the office that qualifies the applicant to receive a tax credit as provided in this part.
 - (b) "Infrastructure cost-burdened entity" includes a pass-through entity taxpayer, as defined in Section 59-10-1402, of a person described in Subsection (7)(a).
- (8) "Infrastructure-related revenue" means an amount of tax revenue, for an entity creating a high cost infrastructure project, in a taxable year, that is directly attributable to a high cost infrastructure project, under:
 - (a) Subsection 59-24-103.5(2)(e);
 - (b) Title 59, Chapter 5, Part 1, Oil and Gas Severance Tax;
 - (c) Title 59, Chapter 5, Part 2, Mining Severance Tax;
 - (d) Title 59, Chapter 7, Corporate Franchise and Income Taxes;
 - (e) Title 59, Chapter 10, Individual Income Tax Act; and
 - (f) Title 59, Chapter 12, Sales and Use Tax Act.
- (9) "Mineral processing project" means a project that is designed to:
 - (a) process, smelt, refine, convert, separate, or otherwise beneficiate metalliferous minerals as defined in Section 59-5-201 or a metalliferous compound as defined in Section 59-5-202;
 - (b) calcine limestone or manufacture cement;
 - (c) process, refine, or otherwise beneficiate chloride compounds, salts, potash, gypsum, sulfur or sulfuric acid, ammonium nitrate, phosphate, or uintaite; or
 - (d) convert or gasify coal to recover chemical compounds, gases, or minerals.

- (10) "Office" means the Office of Energy Development created in Section 79-6-401.
- (11) "Tax credit" means a tax credit under Section 59-7-619 or 59-10-1034.
- (12) "Tax credit certificate" means a certificate issued by the office to an infrastructure cost-burdened entity that:
 - (a) lists the name of the infrastructure cost-burdened entity;
 - (b) lists the infrastructure cost-burdened entity's taxpayer identification number;
 - (c) lists, for a taxable year, the amount of the tax credit authorized for the infrastructure cost-burdened entity under this part; and
 - (d) includes other information as determined by the office.
- (13)
 - (a) "Underground mine infrastructure project" means a project that:
 - (i) is designed to create permanent underground infrastructure to facilitate underground mining operations; and
 - (ii) services multiple levels or areas of an underground mine or multiple underground mines.
 - (b) "Underground mine infrastructure project" includes:
 - (i) an underground access or a haulage road, entry, ramp, or decline;
 - (ii) a vertical or incline mine shaft;
 - (iii) a ventilation shaft or an air course; or
 - (iv) a conveyor or a truck haulageway.
- (14) "Water purification project" means a project that, in order to meet applicable quality standards established under Title 19, Chapter 5, Water Quality Act, is designed to reduce the existing total dissolved solids or other naturally existing impurities contained in water sources:
 - (a) located at a distance of not less than 2,000 feet below the surface;
 - (b) associated with existing mineral operations; or
 - (c) associated with deep water mining operations designed primarily for the revitalization of the Great Salt Lake.
- (15) "Water resource forecasting project" means a project that includes a network of permanent physical data collection systems designed to improve forecasting for the availability of seasonal water flows within the state, including flash flooding and other event-driven water flows resulting from localized severe weather events.