

28 (i) the county average monthly nonagricultural payroll wage for the respective industry as
29 determined by the Department of Workforce Services; or

30 (ii) if the county average monthly nonagricultural payroll wage is not available for the
31 respective industry, the total average monthly nonagricultural payroll wage in the respective county
32 where the enterprise zone is located;

33 (c) an additional credit of \$750 may be claimed if the new position is in a business that
34 adds value to agricultural commodities through manufacturing or processing;

35 (d) an additional credit of \$200 may be claimed for two consecutive years for each new
36 employee who is insured under an employer-sponsored health insurance program if the employer
37 pays at least 50% of the premium cost for two consecutive years;

38 (e) a credit of 50% of the value of a cash contribution to a private nonprofit corporation,
39 except that the credit claimed may not exceed \$100,000:

40 (i) that is exempt from federal income taxation under Section 501(c)(3), Internal Revenue
41 Code;

42 (ii) whose primary purpose is community and economic development; and

43 (iii) that has been accredited by the board of directors of the Utah Rural Development
44 Council;

45 (f) a credit of 25% of the first \$200,000 spent on rehabilitating a building in the enterprise
46 zone that has been vacant for two years or more; and

47 (g) an annual investment tax credit of 10% of the first \$250,000 in investment, and 5% of
48 the next \$1,000,000 qualifying investment in plant, equipment, or other depreciable property.

49 (2) (a) Subject to the limitations of Subsection (2)(b), a business claiming a credit under
50 Subsections (1)(a) through (d) may claim a credit for 30 full-time employee positions or less in
51 each of its taxable years.

52 (b) A business that received a credit for its full-time employee positions under Subsections
53 (1)(a) through (d) may claim an additional credit for a full-time employee position under
54 Subsections (1)(a) through (d) if:

55 (i) the business creates a new full-time employee position;

56 (ii) the total number of full-time employee positions at the business is greater than the
57 number of full-time employee positions previously claimed by the business under Subsections
58 (1)(a) through (d); and

59 (iii) the total number of credits the business has claimed for its current taxable year,
60 including the new full-time employee position for which the business is claiming a credit, is less
61 than or equal to 30.

62 (c) A business existing in an enterprise zone on the date of its designation shall calculate
63 the number of full-time positions based on the average number of employees reported to the
64 Department of Workforce Services.

65 (d) Construction jobs are not eligible for the tax credit under Subsections (1)(a) through
66 (d).

67 (3) If the amount of a tax credit under this section exceeds a business entity's tax liability
68 under this chapter for a taxable year, the amount of the credit exceeding the liability may be carried
69 forward for a period that does not exceed the next three taxable years.

70 (4) (a) If a business entity is located in a county that met the requirements of Subsections
71 9-2-404(1)(b) and (c) but did not qualify as an enterprise zone prior to January 1, 1998, because
72 the county was located in a metropolitan statistical area in more than one state, the business entity:

73 (i) shall qualify for tax credits for a taxable year beginning on or after January 1, 1997, but
74 beginning before December 31, 1997;

75 (ii) may claim a tax credit as described in Subsection (4)(a) in a taxable year beginning on
76 or after January 1, 1997, but beginning before December 31, 1997; and

77 (iii) may qualify for tax credits for any taxable year beginning on or after January 1, 1998,
78 if the county is designated as an enterprise zone in accordance with this part.

79 (b) If a business entity claims a tax credit under Subsection (4)(a)(ii), the business entity:

80 (i) may claim the tax credit by filing for the taxable year beginning on or after January 1,
81 1997, but beginning before December 31, 1997:

82 (A) an individual income tax return;

83 (B) an amended individual income tax return;

84 (C) a corporate franchise and income tax return; or

85 (D) an amended corporate franchise and income tax return; and

86 (ii) may carry forward the tax credit to a taxable year beginning on or after January 1,
87 1998, in accordance with Subsection (3).

88 (5) The tax credits under Subsections (1)(a) through [~~(d)~~] (g) may not be claimed by a
89 business engaged in retail trade or by a public utilities business.

Legislative Review Note
as of 1-22-99 1:54 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel