

1st Sub. S.B. 29

**INTERLOCAL COOPERATION ACT AND ELECTRIC POWER FACILITIES
AMENDMENTS**

HOUSE FLOOR AMENDMENTS

AMENDMENT 2

MARCH 4, 2002 7:12 PM

Representative **Michael R. Styler** proposes the following amendments:

1. Page 35, Line 1050: After "line , each" delete "project entity and each out-of-state public agency" and insert "interlocal entity organized under this chapter"
2. Page 47, Line 1440: After "power entity" insert "or power utility"
3. Page 70, Line 2155: At the beginning of line 2155 insert "(1)"
4. Page 70, Line 2158: After line 2158 insert:

"(2) If this bill and S.B. 57, Corporate Franchise and Income Taxes - Treatment of Certain Cooperatives, both pass, it is the intent of the Legislature that the Office of Legislative Research and General Counsel, in preparing the Utah Code database for publication, combine and coordinate the amendments to Section 59-7-102, as set forth in this bill and S.B. 57, to read as follows:

"59-7-102. Exemptions.

- (1) Except as provided in [~~Part 8~~] this section, the following are exempt from this chapter:
 - (a) [~~organizations~~] an organization exempt under [~~Sections~~] Section 501 [and 521], Internal Revenue Code[~~, and organizations meeting the requirements of Subchapter T, Internal Revenue Code~~];
 - (b) [~~organizations~~] an organization exempt under Section 528, Internal Revenue Code[~~, provided that to the extent such organization's income is taxable for federal tax purposes under Section 528, such organization's income is also taxable under this chapter~~];
 - (c) an insurance [companies which are] company that is otherwise taxed on [~~their~~] the insurance company's premiums under [~~Title~~

~~59;~~ Chapter 9, Taxation of Admitted Insurers; ~~and]~~

(d) a building [authorities] authority as defined in Section 17A-3-902[-];

(e) a farmers' cooperative; or

(f) a public agency, as defined in Section 11-13-103, with respect to or as a result of an ownership interest in:

(i) a project, as defined in Section 11-13-103; or

(ii) facilities providing additional project capacity, as defined in Section 11-13-103.

(2) Notwithstanding any other provision in this chapter or Chapter [7-or] 8, Gross Receipts Tax on Certain Corporations Not Required to Pay Corporate Franchise or Income Tax, a person not otherwise subject to the tax imposed by this chapter or Chapter 8 ~~shall~~ is not ~~become~~ subject to the tax imposed by Sections 59-7-104, 59-7-201, 59-7-701, and 59-8-104, ~~by reason~~ because of:

(a) that person's ownership of tangible personal property located at the premises of a printer's facility in this state with which the person has contracted for printing; or

(b) the activities of the person's employees or agents who are:

(i) located solely at the premises of a printer's facility; and [who are]

(ii) performing services;

(A) related to;

(I) quality control[-];

(II) distribution[-]; or

(III) printing services; and

(B) performed by the printer's facility in this state with which the person has contracted for printing.

(3) Notwithstanding Subsection (1), an organization, company, authority, farmers' cooperative, or public agency exempt from this chapter under Subsection (1) is subject to Part 8, Unrelated Business Income, to the extent provided in Part 8.

(4) Notwithstanding Subsection (1)(b), to the extent the income of an organization described in Subsection (1)(b) is taxable for federal tax purposes under Section 528, Internal Revenue Code, the organization's income is also taxable under this chapter."