

**EXTENSION OF RECYCLING MARKET DEVELOPMENT
ZONE ACT AND RELATED TAX CREDITS**

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: John L. Valentine

House Sponsor: Wayne A. Harper

LONG TITLE

Committee Note:

The Revenue and Taxation Interim Committee recommended this bill.

General Description:

This bill extends the repeal date for the Recycling Market Development Zone Act from July 1, 2020, to January 1, 2021, and extends certain related tax credits.

Highlighted Provisions:

This bill:

- ▶ extends the repeal date for the Recycling Market Development Zone Act from July 1, 2020, to January 1, 2021;
- ▶ extends certain recycling market development zone tax credit and carry forward provisions to repeal on January 1, 2021; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides an immediate effective date.

This bill has retrospective operation to July 1, 2010.

Utah Code Sections Affected:

AMENDS:



28 **63I-1-263**, as last amended by Laws of Utah 2010, Chapters 319 and 358



30 *Be it enacted by the Legislature of the state of Utah:*

31 Section 1. Section **63I-1-263** is amended to read:

32 **63I-1-263. Repeal dates, Titles 63 to 63M.**

33 (1) Section 63A-4-204, authorizing the Risk Management Fund to provide coverage to
34 any public school district which chooses to participate, is repealed July 1, 2016.

35 (2) Section 63A-5-603, State Facility Energy Efficiency Fund, is repealed July 1, 2016.

36 (3) Section 63C-8-106, [~~Rural~~] rural residency training program, is repealed July 1,
37 2015.

38 (4) Subsection 63G-6-502(5)(b)(ii) authorizing certain transportation agencies to award
39 a contract for a design-build transportation project in certain circumstances, is repealed July 1,
40 2015.

41 (5) The Resource Development Coordinating Committee, created in Section
42 63J-4-501, is repealed July 1, 2015.

43 (6) Title 63M, Chapter 1, Part 4, Enterprise Zone Act, is repealed July 1, 2018.

44 (7) (a) Title 63M, Chapter 1, Part 11, Recycling Market Development Zone Act, is
45 repealed [~~July 1, 2020~~] January 1, 2021.

46 (b) Subject to Subsection (7)(c), Sections 59-7-610 and 59-10-1007 regarding tax
47 credits for certain persons in recycling market development zones, are repealed for taxable
48 years beginning on or after January 1, [~~2011~~] 2021.

49 (c) [~~Notwithstanding Subsection (7)(b), a~~] A person may not claim a tax credit under
50 Section 59-7-610 or 59-10-1007:

51 (i) for the purchase price of machinery or equipment described in Section 59-7-610 or
52 59-10-1007, if the machinery or equipment is purchased on or after [~~July 1, 2010~~] January 1,
53 2021; or

54 (ii) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), if
55 the expenditure is made on or after [~~July 1, 2010~~] January 1, 2021.

56 (d) Notwithstanding Subsections (7)(b) and (c), a person may carry forward a tax credit
57 in accordance with Section 59-7-610 or 59-10-1007 if:

58 (i) the person is entitled to a tax credit under Section 59-7-610 or 59-10-1007; and

59 (ii) (A) for the purchase price of machinery or equipment described in Section
60 59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before [~~June 30, 2010~~]
61 December 31, 2020; or

62 (B) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), the
63 expenditure is made on or before [~~June 30, 2010~~] December 31, 2020.

64 (8) Title 63M, Chapter 7, Part 4, Sentencing Commission, is repealed January 1, 2012.

65 (9) The Crime Victim Reparations Board, created in Section 63M-7-504, is repealed
66 July 1, 2017.

67 (10) Title 63M, Chapter 8, Utah Commission for Women and Families Act, is repealed
68 July 1, 2011.

69 (11) Title 63M, Chapter 9, Families, Agencies, and Communities Together for
70 Children and Youth At Risk Act, is repealed July 1, 2016.

71 (12) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2012.
72 Section 2. **Effective date -- Retrospective operation.**

73 This bill:

74 (1) if approved by two-thirds of all the members elected to each house, takes effect
75 upon approval by the governor, or the day following the constitutional time limit of Utah
76 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,
77 the date of veto override; and

78 (2) has retrospective operation to July 1, 2010.

Legislative Review Note
as of 11-17-10 2:33 PM

Office of Legislative Research and General Counsel

FISCAL NOTE

S.B. 30

SHORT TITLE: Extension of Recycling Market Development Zone Act and Related Tax Credits

SPONSOR: **Valentine, J.**

2011 GENERAL SESSION, STATE OF UTAH

STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill could reduce revenue to the Education Fund by \$1,485,000 in FY 2011, by \$2,053,500 in FY 2012, and by \$2,233,500 in FY 2013.

STATE BUDGET DETAIL TABLE

	FY 2011	FY 2012	FY 2013
Revenue:			
Education Fund	(\$1,485,000)	(\$2,053,500)	(\$2,233,500)
Total Revenue	(\$1,485,000)	(\$2,053,500)	(\$2,233,500)
Expenditure	\$0	\$0	\$0
Net Impact, All Funds (Rev.-Exp.)	(\$1,485,000)	(\$2,053,500)	(\$2,233,500)
Net Impact, General/Education Funds	(\$1,485,000)	(\$2,053,500)	(\$2,233,500)

LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for local governments.

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Enactment of this bill would decrease income tax liabilities for individuals and businesses eligible for credits by \$1,485,000 in FY 2011, by \$2,053,500 in FY 2012 and by \$2,233,500 in FY 2013.