

**CORPORATE FRANCHISE AND INCOME TAX FINE AND  
PENALTY AMENDMENTS**

2013 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Brian M. Greene**

Senate Sponsor: John L. Valentine

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**LONG TITLE**

**General Description:**

This bill amends fine and penalty provisions related to corporate franchise and income taxes.

**Highlighted Provisions:**

This bill:

- ▶ repeals a fine and penalty for conducting certain business activities after a suspension or forfeiture of certain business rights for failure to pay a tax; and
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**59-7-535**, as renumbered and amended by Laws of Utah 1993, Chapter 169

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

Section 1. Section **59-7-535** is amended to read:

**59-7-535. Doing business after suspension or forfeiture of certain corporate powers, rights, and privileges -- Penalty.**

~~[(1) Pursuant to any suspension or forfeiture under Section 59-7-534, any person who]~~

30 (1) A person is guilty of a class B misdemeanor if:

31 (a) the person's corporate powers, rights, and privileges have been suspended in  
32 accordance with Section 59-7-534; and

33 (b) the person:

34 (i) attempts or purports to exercise any of the rights, privileges, or powers of [any] a  
35 suspended domestic corporation[;]; or [who]

36 (ii) transacts or attempts to transact any intrastate business in this state in behalf of  
37 [any] a forfeited foreign corporation[; is guilty of a class B misdemeanor. A fine shall be  
38 imposed of not less than \$250, and a penalty of imprisonment shall be imposed of not less than  
39 50 days in the county jail].

40 (2) Jurisdiction of the offense shall be in any county in which any part of [the  
41 attempted exercise of the powers, or any part of the transaction of business] an action described  
42 in Subsection (1)(b) occurred.

43 (3) Any contract made in violation of this section is unenforceable by [the] a  
44 corporation or person described in Subsection (1).