

Senator Howard A. Stephenson proposes the following substitute bill:

CORPORATE FRANCHISE AND INCOME TAX AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Howard A. Stephenson

House Sponsor: Daniel McCay

LONG TITLE

General Description:

This bill amends provisions related to a credit against or refund of an overpayment of corporate franchise or income taxes.

Highlighted Provisions:

This bill:

- defines a term;
- amends provisions related to a credit against or refund of an overpayment of corporate franchise and income taxes; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

This bill provides for retrospective operation.

Utah Code Sections Affected:

AMENDS:

59-7-522, as last amended by Laws of Utah 2010, Chapter 216



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

27 Section 1. Section **59-7-522** is amended to read:

28 **59-7-522. Definition -- Overpayments.**

29 (1) As used in this section, "overpayment" means the same as that term is defined in
30 Section 59-1-1409.

31 ~~[(+)]~~ (2) (a) Subject to Subsection ~~[(+)]~~ (2)(b), a claim for credit or refund of an
32 overpayment that is attributable to a Utah net loss carry back or carry forward shall be filed
33 within three years from the due date of the return for the taxable year of the Utah net loss.

34 (b) The three-year period described in Subsection ~~[(+)]~~ (2)(a) shall be extended by any
35 extension of time provided in statute for filing the return described in Subsection ~~[(+)]~~ (2)(a).

36 ~~[(2) If an overpayment relates to a change in or correction of federal taxable income~~
37 ~~described in Section 59-7-519, a credit may be allowed or a refund paid any time before the~~
38 ~~expiration of the period within which a deficiency may be assessed.]~~

39 (3) The commission shall make a credit against or refund of any overpayment of a tax
40 under this chapter for a taxable year if, in accordance with Section 59-7-519:

41 (a) (i) a corporation agrees with the commissioner of internal revenue for an extension,
42 or a renewal of an extension, of the period for proposing and assessing a deficiency in federal
43 income tax for that taxable year; or

44 (ii) there is a change in or correction of federal taxable income for that taxable year;
45 and

46 (b) the corporation files a claim for the credit or refund before the expiration of the
47 time period within which the commission may assess a deficiency.

48 ~~[(3)]~~ (4) The commission shall make a credit or refund within a 30-day period after the
49 day on which a court's decision to require the commission to credit or refund the amount of an
50 overpayment to a taxpayer is final.

51 Section 2. **Effective date -- Retrospective operation.**

52 (1) If approved by two-thirds of all the members elected to each house, this bill takes
53 effect upon approval by the governor, or the day following the constitutional time limit of Utah
54 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,
55 the date of veto override.

56 (2) This bill:

57 (a) has retrospective operation for a refund claim filed or pending on or after January 1,
58 2015; and
59 (b) applies to an amount for which the commission may assess a deficiency under
60 Section [59-7-519](#).