

28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58

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

Section 1. Section **59-7-903** is amended to read:

59-7-903. Removal of tax credit from tax return -- Prohibition on claiming a tax credit -- Commission publishing requirements.

(1) Subject to Subsection (2) and except as provided in Subsection (3), the commission shall remove a tax credit from a tax return and a person filing a tax return may not claim [~~or carry forward~~] the tax credit if:

(a) the total amount of tax credit claimed or carried forward by all persons who file a tax return is less than \$10,000 per taxable year for three consecutive taxable years; and

(b) less than 10 persons per year for the three consecutive taxable years described in Subsection (1)(a) file a tax return claiming or carrying forward the tax credit.

(2) If the commission determines the requirements of Subsection (1) are met, the commission shall remove a tax credit from a tax return and a person filing a tax return may not claim [~~or carry forward~~] the tax credit beginning two taxable years after the January 1 immediately following the date the commission determines the requirements of Subsection (1) are met.

(3) This section does not apply to a tax credit under Section [59-7-609](#).

~~[(3)]~~ (4) The commission shall, on or before the November interim meeting of the year after the taxable year in which the commission determines the requirements of Subsection (1) are met, report to the Revenue and Taxation Interim Committee that, in accordance with this section:

(a) the commission is required to remove a tax credit from a return on which the tax credit appears; and

(b) a person filing a tax return may not claim [~~or carry forward~~] the tax credit.

~~[(4)]~~ (5) (a) Within a 30-day period after making the report required by Subsection ~~[(3)]~~ (4), the commission shall publish a list in accordance with Subsection ~~[(4)]~~ (5)(b) stating each tax credit that the commission will remove from a return on which the tax credit appears.

(b) The list shall:

(i) be published on:

(A) the commission's website; and

- 59 (B) the public legal notice website in accordance with Section [45-1-101](#);
- 60 (ii) include a statement that:
- 61 (A) the commission is required to remove the tax credit from each return on which the
- 62 tax credit appears; and
- 63 (B) the tax credit may not be claimed [~~or carried forward~~] on a return;
- 64 (iii) state the taxable year for which the removal described in Subsection [~~(4)~~] (5)(a)
- 65 takes effect; and
- 66 (iv) remain available for viewing and searching until the commission publishes a new
- 67 list in accordance with this Subsection [~~(4)~~] (5).

68 Section 2. Section **59-10-1002.1** is amended to read:

69 **59-10-1002.1. Removal of tax credit from tax return and prohibition on claiming**

70 **a tax credit -- Conditions for removal and prohibition on claiming a tax credit --**

71 **Commission publishing requirements.**

- 72 (1) As used in this section, "tax return" means a tax return filed in accordance with this
- 73 chapter.
- 74 (2) Except as provided in Subsection (4), beginning two taxable years after the
- 75 requirements of Subsection (3) are met:
- 76 (a) the commission shall remove a tax credit allowed under this part from each tax
- 77 return on which the tax credit appears; and
- 78 (b) a claimant, estate, or trust filing a tax return may not claim [~~or carry forward~~] the
- 79 tax credit.
- 80 (3) Except as provided in Subsection (4), the commission shall remove a tax credit
- 81 allowed under this part from a tax return and a claimant, estate, or trust filing a tax return may
- 82 not claim [~~or carry forward~~] the tax credit as provided in Subsection (2) if:
- 83 (a) the total amount of the tax credit claimed or carried forward by all claimants,
- 84 estates, or trusts filing tax returns is less than \$10,000 per year for three consecutive taxable
- 85 years beginning on or after January 1, 2002; and
- 86 (b) less than 10 claimants, estates, and trusts per year for the three consecutive taxable
- 87 years described in Subsection (3)(a), file a tax return claiming or carrying forward the tax
- 88 credit.
- 89 (4) This section does not apply to a tax credit under Section [59-10-1006](#) or [59-10-1027](#).

90 (5) The commission shall, on or before the November interim meeting of the year after
91 the taxable year in which the requirements of Subsection (3) are met, report to the Revenue and
92 Taxation Interim Committee that in accordance with this section:

93 (a) the commission is required to remove a tax credit from each tax return on which the
94 tax credit appears; and

95 (b) a claimant, estate, or trust filing a tax return may not claim [~~or carry forward~~] the
96 tax credit.

97 (6) (a) Within a 30-day period after making the report required by Subsection (5), the
98 commission shall publish a list in accordance with Subsection (6)(b) stating each tax credit that
99 the commission will remove from a return on which the tax credit appears.

100 (b) The list shall:

101 (i) be published on:

102 (A) the commission's website; and

103 (B) the public legal notice website in accordance with Section 45-1-101;

104 (ii) include a statement that:

105 (A) the commission is required to remove the tax credit from each return on which the
106 tax credit appears; and

107 (B) the tax credit may not be claimed [~~or carried forward~~] on a return;

108 (iii) state the taxable year for which the removal described in Subsection (6)(a) takes
109 effect; and

110 (iv) remain available for viewing and searching until the commission publishes a new
111 list in accordance with this Subsection (6).

112 Section 3. **Retrospective operation.**

113 This bill has retrospective operation for a taxable year beginning on or after January 1,
114 2016.