

**Senator Curtis S. Bramble** proposes the following substitute bill:

**TAX INCENTIVE REVIEW AMENDMENTS**

2017 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Daniel McCay**

Senate Sponsor: Curtis S. Bramble

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**LONG TITLE**

**General Description:**

This bill amends provisions related to legislative review and evaluation of tax incentives and economic development programs.

**Highlighted Provisions:**

This bill:

- ▶ creates the Economic Development Legislative Liaison Committee;
- ▶ provides for the membership, expenses, duties, and staff support of the committee;
- ▶ requires the Governor's Office of Economic Development to provide the committee with certain information;
- ▶ addresses the confidentiality of and access to information provided to the committee by the Governor's Office of Economic Development;
- ▶ provides that the committee is not a public body for purposes of the Open and Public Meetings Act;
- ▶ defines terms;
- ▶ addresses what tax information the State Tax Commission can provide to certain offices;
- ▶ requires the State Tax Commission and Office of the Legislative Fiscal Analyst to conduct a study and report findings on establishing a methodology for estimating



26 state revenue losses due to sales and use tax exemptions; and  
27       ▶ makes technical and conforming changes.

28 **Money Appropriated in this Bill:**

29       None

30 **Other Special Clauses:**

31       This bill provides a special effective date.

32       This bill provides a repeal date.

33 **Utah Code Sections Affected:**

34 AMENDS:

35       **52-4-103**, as last amended by Laws of Utah 2016, Chapter 77

36       **59-1-403**, as last amended by Laws of Utah 2015, Chapters 411 and 451

37       **63N-1-201**, as renumbered and amended by Laws of Utah 2015, Chapter 283

38 ENACTS:

39       **36-30-101**, Utah Code Annotated 1953

40       **36-30-102**, Utah Code Annotated 1953

41       **36-30-201**, Utah Code Annotated 1953

42       **36-30-202**, Utah Code Annotated 1953

43       **36-30-203**, Utah Code Annotated 1953

44 **Uncodified Material Affected:**

45 ENACTS UNCODIFIED MATERIAL



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

48       Section 1. Section **36-30-101** is enacted to read:

49                   **CHAPTER 30. ECONOMIC DEVELOPMENT LEGISLATIVE**  
50                   **LIAISON COMMITTEE**

51       **36-30-101. Title.**

52       This chapter is known as the "Economic Development Legislative Liaison Committee."

53       Section 2. Section **36-30-102** is enacted to read:

54       **36-30-102. Definitions.**

55       As used in this chapter:

56       (1) "Classification" means the same as that term is defined in Section **63G-2-103**.

57 (2) "Committee" means the Economic Development Legislative Liaison Committee  
58 created in this chapter.

59 (3) "Improperly use" means:

60 (a) to further substantially one's own or another's personal economic interest;

61 (b) to secure special privileges or exemptions for one's self or another; or

62 (c) to cause economic injury or damage to:

63 (i) an individual or business entity; or

64 (ii) an individual's or a business entity's property, reputation, or business interests.

65 (4) "Office" means the Governor's Office of Economic Development created in Section  
66 [63N-1-201](#).

67 (5) "Record" means the same as that term is defined in Section [63G-2-103](#).

68 Section 3. Section **36-30-201** is enacted to read:

69 **36-30-201. Economic Development Legislative Liaison Committee -- Creation --**  
70 **Membership -- Chairs -- Per diem and expenses.**

71 (1) There is created the Economic Development Legislative Liaison Committee.

72 (2) The committee membership consists of the following eight members:

73 (a) four members from the House of Representatives, appointed by the speaker of the  
74 House of Representatives, with no more than three from the same political party; and

75 (b) four members from the Senate, appointed by the president of the Senate, with no  
76 more than three members from the same political party.

77 (3) Five members of the committee constitute a quorum.

78 (4) (a) The speaker of the House of Representatives shall designate a member of the  
79 House of Representatives appointed under Subsection (2)(a) as a cochair of the committee.

80 (b) The president of the Senate shall designate a member of the Senate appointed under  
81 Subsection (2)(b) as a cochair of the committee.

82 (5) A committee member shall receive compensation and expenses as provided by  
83 Section [36-2-2](#) and Legislative Joint Rules, Title 5, Legislative Compensation and Expenses.

84 Section 4. Section **36-30-202** is enacted to read:

85 **36-30-202. Duties -- Confidential information -- Records.**

86 (1) The committee shall receive reports from the office regarding:

87 (a) how the office is:

- 88 (i) promoting and encouraging economic development in the state; and
- 89 (ii) creating, developing, attracting, and retaining business, industry, and commerce in
- 90 the state;
- 91 (b) an economic development incentive or program the office administers;
- 92 (c) a contract or agreement that the office has entered into with a public or private
- 93 entity;
- 94 (d) a grant that the office has made to a public or private entity;
- 95 (e) any funds from a public or private source that the office has expended;
- 96 (f) any money, services, or facilities the office has solicited or accepted from a public
- 97 or private donor;
- 98 (g) a policy, priority, or objective under which the office operates; or
- 99 (h) any other economic development related information that the office can provide.
- 100 (2) At the beginning of each meeting, the cochairs of the committee shall inform each
- 101 individual in attendance that there may be:
- 102 (a) restrictions on disclosing or improperly using information the committee receives
- 103 during the meeting; and
- 104 (b) penalties for not complying with the restrictions on disclosing or improperly using
- 105 information the committee receives during the meeting.
- 106 (3) (a) Before adjourning a meeting of the committee, the office shall inform the
- 107 committee whether the information the office provides under this section is subject to
- 108 restrictions on disclosing or improperly using the information.
- 109 (b) The committee shall comply with any restrictions on the disclosure or improper use
- 110 of information.
- 111 (c) An individual may not disclose or improperly use information that is:
- 112 (i) received by the individual at a committee meeting; and
- 113 (ii) determined to be confidential or subject to restrictions on disclosure under
- 114 Subsection (3)(a).
- 115 (d) An individual who intentionally discloses or improperly uses information described
- 116 under Subsection (3)(c) knowing that the disclosure or use is prohibited under this section is
- 117 guilty of a class B misdemeanor.
- 118 (4) (a) The office's sharing of records with the committee is governed by this section

119 rather than Section 63G-2-206.

120 (b) The office shall inform the committee of the office's classification of any record the  
121 office provides to the committee.

122 (c) (i) The committee is subject to the same restrictions on disclosure or use of a record  
123 the committee receives from the office as the office is subject to.

124 (ii) An individual that violates the restrictions on disclosure or use described under  
125 Subsection (4)(c)(i) is subject to:

126 (A) the applicable penalties provided under Title 63G, Chapter 2, Government Records  
127 Access and Management Act; and

128 (B) any other applicable penalties provided by law.

129 (d) A person may not make a request under Title 63G, Chapter 2, Government Records  
130 Access and Management Act, or this section, for access to a record in possession of the  
131 committee if the committee received the record from the office in accordance with this section.

132 (5) The committee may not:

133 (a) request legislation;

134 (b) recommend legislation;

135 (c) take a position on a matter of public policy;

136 (d) except as necessary to obtain the information described in Subsection (1), direct the  
137 negotiations, activities, and work of the office; or

138 (e) require the office to request company-specific tax information from the Utah Tax  
139 Commission.

140 (6) The committee shall comply with the rules of legislative interim committees unless  
141 those rules conflict with this section.

142 (7) The committee may meet as needed.

143 Section 5. Section **36-30-203** is enacted to read:

144 **36-30-203. Staff support.**

145 The Office of Legislative Research and General Counsel and the Office of the  
146 Legislative Fiscal Analyst shall jointly provide staff services to the committee.

147 Section 6. Section **52-4-103** is amended to read:

148 **52-4-103. Definitions.**

149 As used in this chapter:

- 150 (1) "Anchor location" means the physical location from which:  
151 (a) an electronic meeting originates; or  
152 (b) the participants are connected.
- 153 (2) "Capitol hill complex" means the grounds and buildings within the area bounded by  
154 300 North Street, Columbus Street, 500 North Street, and East Capitol Boulevard in Salt Lake  
155 City.
- 156 (3) "Convening" means the calling together of a public body by a person authorized to  
157 do so for the express purpose of discussing or acting upon a subject over which that public  
158 body has jurisdiction or advisory power.
- 159 (4) "Electronic meeting" means a public meeting convened or conducted by means of a  
160 conference using electronic communications.
- 161 (5) "Electronic message" means a communication transmitted electronically, including:  
162 (a) electronic mail;  
163 (b) instant messaging;  
164 (c) electronic chat;  
165 (d) text messaging as defined in Section 76-4-401; or  
166 (e) any other method that conveys a message or facilitates communication  
167 electronically.
- 168 (6) (a) "Meeting" means the convening of a public body or a specified body, with a  
169 quorum present, including a workshop or an executive session, whether in person or by means  
170 of electronic communications, for the purpose of discussing, receiving comments from the  
171 public about, or acting upon a matter over which the public body or specific body has  
172 jurisdiction or advisory power.
- 173 (b) "Meeting" does not mean:  
174 (i) a chance gathering or social gathering; or  
175 (ii) a convening of the State Tax Commission to consider a confidential tax matter in  
176 accordance with Section 59-1-405.
- 177 (c) "Meeting" does not mean the convening of a public body that has both legislative  
178 and executive responsibilities if:  
179 (i) no public funds are appropriated for expenditure during the time the public body is  
180 convened; and

- 181 (ii) the public body is convened solely for the discussion or implementation of  
182 administrative or operational matters:
- 183 (A) for which no formal action by the public body is required; or  
184 (B) that would not come before the public body for discussion or action.
- 185 (7) "Monitor" means to hear or observe, live, by audio or video equipment, all of the  
186 public statements of each member of the public body who is participating in a meeting.
- 187 (8) "Participate" means the ability to communicate with all of the members of a public  
188 body, either verbally or electronically, so that each member of the public body can hear or  
189 observe the communication.
- 190 (9) (a) "Public body" means any administrative, advisory, executive, or legislative body  
191 of the state or its political subdivisions that:
- 192 (i) is created by the Utah Constitution, statute, rule, ordinance, or resolution;  
193 (ii) consists of two or more persons;  
194 (iii) expends, disburses, or is supported in whole or in part by tax revenue; and  
195 (iv) is vested with the authority to make decisions regarding the public's business.
- 196 (b) "Public body" includes, as defined in Section [11-13-103](#), an interlocal entity or joint  
197 or cooperative undertaking.
- 198 (c) "Public body" does not include [a]:
- 199 (i) a political party, a political group, or a political caucus;  
200 (ii) a conference committee, a rules committee, or a sifting committee of the  
201 Legislature; [~~or~~]
- 202 (iii) a school community council or charter trust land council as defined in Section  
203 [53A-1a-108.1](#)[~~;~~]; or
- 204 (iv) the Economic Development Legislative Liaison Committee created in Section  
205 [36-30-201](#).
- 206 (10) "Public statement" means a statement made in the ordinary course of business of  
207 the public body with the intent that all other members of the public body receive it.
- 208 (11) (a) "Quorum" means a simple majority of the membership of a public body, unless  
209 otherwise defined by applicable law.
- 210 (b) "Quorum" does not include a meeting of two elected officials by themselves when  
211 no action, either formal or informal, is taken on a subject over which these elected officials

212 have advisory power.

213 (12) "Recording" means an audio, or an audio and video, record of the proceedings of a  
214 meeting that can be used to review the proceedings of the meeting.

215 (13) "Specified body":

216 (a) means an administrative, advisory, executive, or legislative body that:

217 (i) is not a public body;

218 (ii) consists of three or more members; and

219 (iii) includes at least one member who is:

220 (A) a legislator; and

221 (B) officially appointed to the body by the president of the Senate, speaker of the  
222 House of Representatives, or governor; and

223 (b) does not include a body listed in Subsection (9)(c)(ii).

224 (14) "Transmit" means to send, convey, or communicate an electronic message by  
225 electronic means.

226 Section 7. Section **59-1-403** is amended to read:

227 **59-1-403. Confidentiality -- Exceptions -- Penalty -- Application to property tax.**

228 (1) (a) Any of the following may not divulge or make known in any manner any  
229 information gained by that person from any return filed with the commission:

230 (i) a tax commissioner;

231 (ii) an agent, clerk, or other officer or employee of the commission; or

232 (iii) a representative, agent, clerk, or other officer or employee of any county, city, or  
233 town.

234 (b) An official charged with the custody of a return filed with the commission is not  
235 required to produce the return or evidence of anything contained in the return in any action or  
236 proceeding in any court, except:

237 (i) in accordance with judicial order;

238 (ii) on behalf of the commission in any action or proceeding under:

239 (A) this title; or

240 (B) other law under which persons are required to file returns with the commission;

241 (iii) on behalf of the commission in any action or proceeding to which the commission  
242 is a party; or



243 (iv) on behalf of any party to any action or proceeding under this title if the report or  
244 facts shown by the return are directly involved in the action or proceeding.

245 (c) Notwithstanding Subsection (1)(b), a court may require the production of, and may  
246 admit in evidence, any portion of a return or of the facts shown by the return, as are specifically  
247 pertinent to the action or proceeding.

248 (2) This section does not prohibit:

249 (a) a person or that person's duly authorized representative from receiving a copy of  
250 any return or report filed in connection with that person's own tax;

251 (b) the publication of statistics as long as the statistics are classified to prevent the  
252 identification of particular reports or returns; and

253 (c) the inspection by the attorney general or other legal representative of the state of the  
254 report or return of any taxpayer:

255 (i) who brings action to set aside or review a tax based on the report or return;

256 (ii) against whom an action or proceeding is contemplated or has been instituted under  
257 this title; or

258 (iii) against whom the state has an unsatisfied money judgment.

259 (3) (a) Notwithstanding Subsection (1) and for purposes of administration, the  
260 commission may by rule, made in accordance with Title 63G, Chapter 3, Utah Administrative  
261 Rulemaking Act, provide for a reciprocal exchange of information with:

262 (i) the United States Internal Revenue Service; or

263 (ii) the revenue service of any other state.

264 (b) Notwithstanding Subsection (1) and for all taxes except individual income tax and  
265 corporate franchise tax, the commission may by rule, made in accordance with Title 63G,  
266 Chapter 3, Utah Administrative Rulemaking Act, share information gathered from returns and  
267 other written statements with the federal government, any other state, any of the political  
268 subdivisions of another state, or any political subdivision of this state, except as limited by  
269 Sections 59-12-209 and 59-12-210, if the political subdivision, other state, or the federal  
270 government grant substantially similar privileges to this state.

271 (c) Notwithstanding Subsection (1) and for all taxes except individual income tax and  
272 corporate franchise tax, the commission may by rule, in accordance with Title 63G, Chapter 3,  
273 Utah Administrative Rulemaking Act, provide for the issuance of information concerning the

274 identity and other information of taxpayers who have failed to file tax returns or to pay any tax  
275 due.

276 (d) Notwithstanding Subsection (1), the commission shall provide to the director of the  
277 Division of Environmental Response and Remediation, as defined in Section 19-6-402, as  
278 requested by the director of the Division of Environmental Response and Remediation, any  
279 records, returns, or other information filed with the commission under Chapter 13, Motor and  
280 Special Fuel Tax Act, or Section 19-6-410.5 regarding the environmental assurance program  
281 participation fee.

282 (e) Notwithstanding Subsection (1), at the request of any person the commission shall  
283 provide that person sales and purchase volume data reported to the commission on a report,  
284 return, or other information filed with the commission under:

285 (i) Chapter 13, Part 2, Motor Fuel; or

286 (ii) Chapter 13, Part 4, Aviation Fuel.

287 (f) Notwithstanding Subsection (1), upon request from a tobacco product manufacturer,  
288 as defined in Section 59-22-202, the commission shall report to the manufacturer:

289 (i) the quantity of cigarettes, as defined in Section 59-22-202, produced by the  
290 manufacturer and reported to the commission for the previous calendar year under Section  
291 59-14-407; and

292 (ii) the quantity of cigarettes, as defined in Section 59-22-202, produced by the  
293 manufacturer for which a tax refund was granted during the previous calendar year under  
294 Section 59-14-401 and reported to the commission under Subsection 59-14-401(1)(a)(v).

295 (g) Notwithstanding Subsection (1), the commission shall notify manufacturers,  
296 distributors, wholesalers, and retail dealers of a tobacco product manufacturer that is prohibited  
297 from selling cigarettes to consumers within the state under Subsection 59-14-210(2).

298 (h) Notwithstanding Subsection (1), the commission may:

299 (i) provide to the Division of Consumer Protection within the Department of  
300 Commerce and the attorney general data:

301 (A) reported to the commission under Section 59-14-212; or

302 (B) related to a violation under Section 59-14-211; and

303 (ii) upon request, provide to any person data reported to the commission under  
304 Subsections 59-14-212(1)(a) through (c) and Subsection 59-14-212(1)(g).

305 (i) Notwithstanding Subsection (1), the commission shall, at the request of a committee  
 306 of the Legislature, the Office of the Legislative Fiscal Analyst, or the Governor's Office of  
 307 Management and Budget, provide to the committee or office the total amount of revenues  
 308 collected by the commission under Chapter 24, Radioactive Waste Facility Tax Act, for the  
 309 time period specified by the committee or office.

310 (j) Notwithstanding Subsection (1), the commission shall make the directory required  
 311 by Section 59-14-603 available for public inspection.

312 (k) Notwithstanding Subsection (1), the commission may share information with  
 313 federal, state, or local agencies as provided in Subsection 59-14-606(3).

314 (l) (i) Notwithstanding Subsection (1), the commission shall provide the Office of  
 315 Recovery Services within the Department of Human Services any relevant information  
 316 obtained from a return filed under Chapter 10, Individual Income Tax Act, regarding a taxpayer  
 317 who has become obligated to the Office of Recovery Services.

318 (ii) The information described in Subsection (3)(l)(i) may be provided by the Office of  
 319 Recovery Services to any other state's child support collection agency involved in enforcing  
 320 that support obligation.

321 (m) (i) Notwithstanding Subsection (1), upon request from the state court  
 322 administrator, the commission shall provide to the state court administrator, the name, address,  
 323 telephone number, county of residence, and Social Security number on resident returns filed  
 324 under Chapter 10, Individual Income Tax Act.

325 (ii) The state court administrator may use the information described in Subsection  
 326 (3)(m)(i) only as a source list for the master jury list described in Section 78B-1-106.

327 (n) Notwithstanding Subsection (1), the commission shall at the request of a  
 328 committee, commission, or task force of the Legislature provide to the committee, commission,  
 329 or task force of the Legislature any information relating to a tax imposed under Chapter 9,  
 330 Taxation of Admitted Insurers, relating to the study required by Section 59-9-101.

331 (o) (i) As used in this Subsection (3)(o)[, "office"]:

332 (A) "Income tax information" means information gained by the commission that is  
 333 required to be attached to or included in a return filed with the commission under Chapter 7,  
 334 Corporate Franchise and Income Taxes, or Chapter 10, Individual Income Tax Act.

335 (B) "Office" means the[:(A)] Office of the Legislative Fiscal Analyst[; or (B)]<sub>2</sub>

336 established in Section 36-12-13, the Office of Legislative Research and General Counsel,  
 337 established in Section 36-12-12, the Governor's Office of Economic Development, created in  
 338 Section 63N-1-201, or the Governor's Office of Management and Budget, created in Section  
 339 63J-4-2011.

340 (C) "Other tax information" means information gained by the commission that is  
 341 required to be attached to or included in a return filed with the commission except for a return  
 342 filed under Chapter 7, Corporate Franchise and Income Taxes, or Chapter 10, Individual  
 343 Income Tax Act.

344 (D) "Tax information" means income tax information or other tax information.

345 (ii) (A) Notwithstanding Subsection (1) and except as provided in Subsection  
 346 (3)(o)(~~(iii)~~)(ii)(B) or (C), the commission shall at the request of an office provide to the office  
 347 all income tax information[:].

348 [~~(A) gained by the commission; and]~~

349 [~~(B) required to be attached to or included in returns filed with the commission.]~~

350 [~~(iii) (A) An]~~ (B) For purposes of a request for income tax information made under  
 351 Subsection (3)(o)(ii)(A), an office may not request and the commission may not provide to an  
 352 office a person's[:] address, name, social security number, or taxpayer identification number.

353 [~~(I) address;~~]

354 [~~(II) name;~~]

355 [~~(III) Social Security number; or]~~

356 [~~(IV) taxpayer identification number.]~~

357 [~~(B) The]~~ (C) In providing income tax information to an office, the commission shall  
 358 in all instances protect the privacy of a person as required by Subsection (3)(o)(~~(iii)~~(A))(ii)(B).

359 (iii) (A) Notwithstanding Subsection (1) and except as provided in Subsection  
 360 (3)(o)(iii)(B), the commission shall at the request of an office provide to the office other tax  
 361 information.

362 (B) Before providing other tax information to an office, the commission shall redact or  
 363 remove any name, address, social security number, or taxpayer identification number.

364 (iv) An office may provide tax information received from the commission in  
 365 accordance with this Subsection (3)(o) only:

366 (A) as[:] a fiscal estimate, fiscal note information, or statistical information; and

367 ~~[(I) a fiscal estimate;]~~

368 ~~[(H) fiscal note information; or]~~

369 ~~[(III) statistical information; and]~~

370 (B) if the tax information is classified to prevent the identification of a particular  
371 return.

372 (v) (A) A person may not request tax information from an office under Title 63G,  
373 Chapter 2, Government Records Access and Management Act, or this section, if that office  
374 received the tax information from the commission in accordance with this Subsection (3)(o).

375 (B) An office may not provide to a person that requests tax information in accordance  
376 with Subsection (3)(o)(v)(A) any tax information other than the tax information the office  
377 provides in accordance with Subsection (3)(o)(iv).

378 (p) Notwithstanding Subsection (1), the commission may provide to the governing  
379 board of the agreement or a taxing official of another state, the District of Columbia, the United  
380 States, or a territory of the United States:

381 (i) the following relating to an agreement sales and use tax:

382 (A) information contained in a return filed with the commission;

383 (B) information contained in a report filed with the commission;

384 (C) a schedule related to Subsection (3)(p)(i)(A) or (B); or

385 (D) a document filed with the commission; or

386 (ii) a report of an audit or investigation made with respect to an agreement sales and  
387 use tax.

388 (q) Notwithstanding Subsection (1), the commission may provide information  
389 concerning a taxpayer's state income tax return or state income tax withholding information to  
390 the Driver License Division if the Driver License Division:

391 (i) requests the information; and

392 (ii) provides the commission with a signed release form from the taxpayer allowing the  
393 Driver License Division access to the information.

394 (r) Notwithstanding Subsection (1), the commission shall provide to the Utah  
395 Communications Authority, or a division of the Utah Communications Authority, the  
396 information requested by the authority under Sections [63H-7a-302](#), [63H-7a-402](#), and  
397 [63H-7a-502](#).

398 (s) Notwithstanding Subsection (1), the commission shall provide to the Utah  
399 Educational Savings Plan information related to a resident or nonresident individual's  
400 contribution to a Utah Educational Savings Plan account as designated on the resident or  
401 nonresident's individual income tax return as provided under Section 59-10-1313.

402 (t) Notwithstanding Subsection (1), for the purpose of verifying eligibility under  
403 Sections 26-18-2.5 and 26-40-105, the commission shall provide an eligibility worker with the  
404 Department of Health or its designee with the adjusted gross income of an individual if:

405 (i) an eligibility worker with the Department of Health or its designee requests the  
406 information from the commission; and

407 (ii) the eligibility worker has complied with the identity verification and consent  
408 provisions of Sections 26-18-2.5 and 26-40-105.

409 (u) Notwithstanding Subsection (1), the commission may provide to a county, as  
410 determined by the commission, information declared on an individual income tax return in  
411 accordance with Section 59-10-103.1 that relates to eligibility to claim a residential exemption  
412 authorized under Section 59-2-103.

413 (4) (a) Each report and return shall be preserved for at least three years.

414 (b) After the three-year period provided in Subsection (4)(a) the commission may  
415 destroy a report or return.

416 (5) (a) Any person who violates this section is guilty of a class A misdemeanor.

417 (b) If the person described in Subsection (5)(a) is an officer or employee of the state,  
418 the person shall be dismissed from office and be disqualified from holding public office in this  
419 state for a period of five years thereafter.

420 (c) Notwithstanding Subsection (5)(a) or (b), an office that requests information in  
421 accordance with Subsection (3)(o)(iii) or a person that requests information in accordance with  
422 Subsection (3)(o)(v):

423 (i) is not guilty of a class A misdemeanor; and

424 (ii) is not subject to:

425 (A) dismissal from office in accordance with Subsection (5)(b); or

426 (B) disqualification from holding public office in accordance with Subsection (5)(b).

427 (6) Except as provided in Section 59-1-404, this part does not apply to the property tax.  
428 Section 8. Section 63N-1-201 is amended to read:

429 **63N-1-201. Creation of office -- Responsibilities.**

430 (1) There is created the Governor's Office of Economic Development.

431 (2) The office is:

432 (a) responsible for economic development and economic development planning in the  
433 state; and

434 (b) the industrial promotion authority of the state.

435 (3) The office shall:

436 (a) administer and coordinate state and federal economic development grant programs;

437 (b) promote and encourage the economic, commercial, financial, industrial,  
438 agricultural, and civic welfare of the state;439 (c) act to create, develop, attract, and retain business, industry, and commerce in the  
440 state;

441 (d) act to enhance the state's economy;

442 (e) administer programs over which the office is given administrative supervision by  
443 the governor;444 (f) submit an annual written report as described in Section [63N-1-301](#); [~~and~~]445 (g) comply with the requirements of Section [36-30-202](#); and446 [~~(g)~~] (h) perform other duties as provided by the Legislature.

447 (4) In order to perform its duties under this title, the office may:

448 (a) enter into a contract or agreement with, or make a grant to, a public or private  
449 entity, including a municipality, if the contract or agreement is not in violation of state statute  
450 or other applicable law;451 (b) except as provided in Subsection (4)(c), receive and expend funds from a public or  
452 private source for any lawful purpose that is in the state's best interest; and453 (c) solicit and accept a contribution of money, services, or facilities from a public or  
454 private donor, but may not use the contribution for publicizing the exclusive interest of the  
455 donor.456 (5) Money received under Subsection (4)(c) shall be deposited in the General Fund as  
457 dedicated credits of the office.458 (6) (a) The office shall obtain the advice of the board before implementing a change to  
459 a policy, priority, or objective under which the office operates.

460 (b) Subsection (6)(a) does not apply to the routine administration by the office of  
461 money or services related to the assistance, retention, or recruitment of business, industry, or  
462 commerce in the state.

463 Section 9. **Sales tax exemption study.**

464 (1) The Utah State Tax Commission, in consultation with the Office of the Legislative  
465 Fiscal Analyst, shall study and prepare a report on the state revenue impacts of the sales and  
466 use tax exemptions under Section [59-12-104](#).

467 (2) The Utah State Tax Commission and Office of the Legislative Fiscal Analyst shall  
468 present the findings of the report to the Revenue and Taxation Interim Committee before  
469 November 30, 2017.

470 Section 10. **Effective date.**

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

475 Section 11. **Repeal date.**

476 Uncodified Section 9, Sales tax exemption study, is repealed on November 30, 2017.