

**JOINT RESOLUTION DIRECTING TAX REVIEW
COMMISSION TO STUDY TAX INCENTIVES**

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kay J. Christofferson

Senate Sponsor: Lincoln Fillmore

LONG TITLE

General Description:

This joint resolution directs the Utah Tax Review Commission to study tax incentives offered by the state.

Highlighted Provisions:

This joint resolution directs the Utah Tax Review Commission to:

- ▶ study the state's current tax incentive structure;
- ▶ examine the positive and negative effects of the current incentives on the state's economy;
- ▶ identify any overlapping or redundant tax credits, tax exemptions, or other incentives;
- ▶ make recommendations regarding whether:
 - the current structure of providing targeted exemptions, credits, and other incentives is more effective than lowering overall rates for all taxpayers; and
 - certain activities should be eligible for multiple incentives; and
- ▶ report recommendations on these issues to the Revenue and Taxation Interim Committee.

Special Clauses:

None

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

WHEREAS, Utah Code Title 59, Chapter 1, Part 9, Utah Tax Review Commission,

30 creates the Utah Tax Review Commission (TRC);

31 WHEREAS, the TRC shall make recommendations to the governor and the Legislature
32 on specific tax issues, as requested by the Legislature in a joint resolution of the Legislature;

33 WHEREAS, Utah's sales and use tax system has numerous exemptions available to a
34 variety of taxpayers and for a variety of purchases; and

35 WHEREAS, Utah's corporate and individual income tax systems have multiple credits
36 available to a variety of businesses and individuals:

37 NOW, THEREFORE, BE IT RESOLVED that the Legislature directs the TRC to study
38 the state's current tax incentive structure.

39 BE IT FURTHER RESOLVED that the Legislature directs the TRC to examine the
40 positive and negative effects of the current incentives on the state's economy.

41 BE IT FURTHER RESOLVED that the Legislature directs the TRC to identify any
42 overlapping or redundant tax credits, tax exemptions, or other incentives.

43 BE IT FURTHER RESOLVED that the Legislature directs the TRC to make
44 recommendations regarding whether:

45 (1) the current structure of providing targeted exemptions, credits, and other incentives
46 is more effective than lowering overall rates for all taxpayers; and

47 (2) certain activities should be eligible for multiple incentives.

48 BE IT FURTHER RESOLVED that the Legislature directs the TRC to report the TRC's
49 recommendations to the Revenue and Taxation Interim Committee by November 1, 2019.

50 BE IT FURTHER RESOLVED that a copy of this resolution be sent to the chairperson
51 of the TRC immediately after the Legislature passes this resolution.