

SB0255S01 compared with SB0255

~~text~~ shows text that was in SB0255 but was deleted in SB0255S01.

Inserted text shows text that was not in SB0255 but was inserted into SB0255S01.

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Senator Kirk A. Cullimore proposes the following substitute bill:

TAX AND REVENUE AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kirk A. Cullimore

House Sponsor: _____

LONG TITLE

General Description:

This bill amends tax provisions ~~related to the Motor~~ and ~~Special Fuel Tax Act~~ provides for expenditure of certain tax revenue.

Highlighted Provisions:

This bill:

▶ authorizes a ~~tax credit~~ refund on aviation fuel taxes under certain circumstances~~.~~

~~.~~

▶ deposits, for ten years, a portion of the state severance tax into the Industrial Assistance Account under certain circumstances;

▶ provides for investors in projects that produce and sell new aviation fuel to receive an award of money from the Industrial Assistance Account; and

▶ makes technical changes.

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Money Appropriated in this Bill:

None

Other Special Clauses:

~~{ None }~~ This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

59-5-115, as last amended by Laws of Utah 2014, Chapter 241

59-5-116, as last amended by Laws of Utah 2014, Chapter 241

59-5-119, as last amended by Laws of Utah 2014, Chapter 241

59-13-401, as last amended by Laws of Utah 2009, Chapters 222 and 358

63N-3-102, as last amended by Laws of Utah 2018, Chapter 428

63N-3-103, as last amended by Laws of Utah 2018, Chapters 204 and 428

63N-3-104, as last amended by Laws of Utah 2018, Chapter 204

63N-3-104.5, as enacted by Laws of Utah 2018, Chapter 204

63N-3-105, as last amended by Laws of Utah 2016, Chapter 34

ENACTS:

59-5-121, Utah Code Annotated 1953

63N-3-112, Utah Code Annotated 1953

63N-3-113, Utah Code Annotated 1953

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

Section 1. Section 59-5-115 is amended to read:

59-5-115. Disposition of taxes collected -- Credit to General Fund.

Except as provided in Section 51-9-305, 59-5-116, ~~[or]~~ 59-5-119, or 59-5-121, a tax imposed and collected under Section 59-5-102 shall be paid to the commission, promptly remitted to the state treasurer, and credited to the General Fund.

Section 2. Section 59-5-116 is amended to read:

59-5-116. Disposition of certain taxes collected on Ute Indian land.

(1) Except as provided in Subsection (2), there shall be deposited into the Uintah Basin Revitalization Fund established in Section 35A-8-1602:

(a) for taxes imposed under this part, 33% of the taxes collected on oil, gas, or other

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hydrocarbon substances produced from a well:

- (i) for which production began on or before June 30, 1995; and
- (ii) attributable to interests:
 - (A) held in trust by the United States for the Tribe and its members; or
 - (B) on lands identified in Pub. L. No. 440, 62 Stat. 72 (1948);
- (b) for taxes imposed under this part, 80% of taxes collected on oil, gas, or other

hydrocarbon substances produced from a well:

- (i) for which production began on or after July 1, 1995; and
- (ii) attributable to interests:
 - (A) held in trust by the United States for the Tribe and its members; or
 - (B) on lands identified in Pub. L. No. 440, 62 Stat. 72 (1948); and
- (c) for taxes imposed under this part, 80% of taxes collected on oil, gas, or other

hydrocarbon substances produced from a well:

- (i) for which production began on or after January 1, 2001; and
- (ii) attributable to interests on lands conveyed to the tribe under the Ute-Moab Land

Restoration Act, Pub. L. No. 106-398, Sec. 3303.

(2) (a) The maximum amount deposited in the Uintah Basin Revitalization Fund may not exceed:

- (i) \$3,000,000 in fiscal year 2005-06;
- (ii) \$5,000,000 in fiscal year 2006-07;
- (iii) \$6,000,000 in fiscal years 2007-08 and 2008-09; and
- (iv) for fiscal years beginning with fiscal year 2009-10, the amount determined by the

commission as described in Subsection (2)(b).

(b) (i) The commission shall increase or decrease the dollar amount described in Subsection (2)(a)(iii) by a percentage equal to the percentage difference between the consumer price index for the preceding calendar year and the consumer price index for calendar year 2008; and

(ii) after making an increase or decrease under Subsection (2)(b)(i), round the dollar amount to the nearest whole dollar.

(c) For purposes of this Subsection (2), "consumer price index" is as described in Section 1(f)(4), Internal Revenue Code, and defined in Section (1)(f)(5), Internal Revenue

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Code.

(d) Any amounts in excess of the maximum described in Subsection (2)(a) shall be credited as provided in Sections 51-9-305 ~~[and], 59-5-115, and 59-5-115~~ 59-5-121.

Section 3. Section 59-5-119 is amended to read:

59-5-119. Disposition of certain taxes collected on Navajo Nation land located in Utah.

(1) Except as provided in Subsection (2), there shall be deposited into the Navajo Revitalization Fund established in Section 35A-8-1704 for taxes imposed under this part beginning on July 1, 1997:

(a) 33% of the taxes collected on oil, gas, or other hydrocarbon substances produced from a well:

(i) for which production began on or before June 30, 1996; and

(ii) attributable to interests in Utah held in trust by the United States for the Navajo Nation and its members; and

(b) 80% of the taxes collected on oil, gas, or other hydrocarbon substances produced from a well:

(i) for which production began on or after July 1, 1996; and

(ii) attributable to interests in Utah held in trust by the United States for the Navajo Nation and its members.

(2) (a) The maximum amount deposited in the Navajo Revitalization Fund may not exceed:

(i) \$2,000,000 in fiscal year 2006-07; and

(ii) \$3,000,000 for fiscal years beginning with fiscal year 2007-08.

(b) Any amounts in excess of the maximum described in Subsection (2)(a) shall be credited as provided in Sections 51-9-305 ~~[and], 59-5-115, and 59-5-115~~ 59-5-121.

Section ~~{1}4~~. Section ~~{59-13-401}~~ 59-5-121 is ~~{amended to read:~~
enacted to read:

59-5-121. Disposition of taxes collected -- Industrial Assistance Account.

(1) As used in this section, "GOED" means the Governor's Office of Economic Development created in Section 63N-1-201.

(2) Subject to Subsections (3) and (4), the Division of Finance shall deposit annually

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\$1,000,000 from the taxes collected under Section 59-5-102 into the Industrial Assistance Account created in Section 63N-3-103.

(3) The Division of Finance shall make the deposit described in Subsection (2):

(a) after making the deposits required by Sections 51-9-305, 59-5-116, and 59-5-119;

(b) after receiving the certification from GOED required by Section 63N-3-113; and

(c) for ten consecutive fiscal years.

(4) If there is less than \$1,000,000 available for deposit, the Division of Finance shall deposit the amount available.

Section 5. Section 59-13-401 is amended to read:

59-13-401. Aviation fuel tax -- Rate.

(1) A tax is imposed upon aviation fuel at the rates provided in this section.

(2) Except as provided by Subsection (3), the tax on aviation fuel shall be 9 cents per gallon.

(3) Aviation fuel purchased for use by a federally certificated air carrier is subject to a tax of:

(a) 4 cents per gallon on aviation fuel purchased other than at an international airport:

(i) located within a county of the first class; and

(ii) that has a United States customs office on its premises; or

(b) 2.5 cents per gallon on aviation fuel purchased at an international airport:

(i) located within a county of the first class; and

(ii) that has a United States customs office on its premises.

(4) (a) ~~{A}~~ If a federally certificated air carrier purchases more than 130 million gallons of aviation fuel in this state during a calendar year, the federally certificated air carrier may claim a refund of ~~{taxes}~~ the tax paid under this section ~~{in an amount equal to the taxes paid on aviation fuel purchased in the state during the calendar year}~~ on each gallon of aviation fuel that the federally certificated air carrier purchases in excess of 130 million gallons.

(b) The amount of the refund described in Subsection (4)(a) is equal to the tax paid on each gallon of aviation fuel that the federally certificated air carrier purchases after the federally certificated air carrier purchases 130 million gallons.

(c) The federally certificated air carrier is eligible to claim the refund beginning in the month after the federally certificated air carrier reaches 130 million gallons of aviation fuel

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purchased in this state.

(d) For purposes of determining whether a federally certificated air carrier has purchased more than 130 million gallons of aviation fuel in this state, the federally certificated air carrier may count the gallons of fuel purchased in the state for use in an aircraft operated by another federally certificated air carrier if:

(i) the other federally certificated air carrier operates the aircraft exclusively for the federally certificated air carrier claiming the refund; and

(ii) the federally certificated air carrier claiming the refund paid for, or reimbursed the other federally certificated air carrier for, the aviation fuel purchase.

~~(b)5~~ In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules governing the procedures for ~~receiving~~ claiming a refund authorized by this ~~Subsection (4)~~ section.

Section 6. Section 63N-3-102 is amended to read:

63N-3-102. Definitions.

As used in this part:

(1) "Administrator" means the executive director or the executive director's designee.

(2) "Aviation fuel" means the same as that term is defined in Section 59-13-102.

(3) "Aviation fuel project" means the production in the state, through the cooperation of a refinery in the state and an investor, of new aviation fuel.

~~(2)~~ (4) "Best available control technology" means a pollution control method that is approved by the United States Environmental Protection Agency or the Department of Environmental Quality to control a certain pollutant type to a specified degree.

~~(3)~~ (5) "Company creating an economic impediment" means a company that discourages economic development within a reasonable radius of its location because of:

(a) odors;

(b) noise;

(c) pollution;

(d) health hazards; or

(e) other activities similar to those described in Subsections ~~(3)~~ (5)(a) through (d).

~~(4)~~ (6) "Economic opportunities" means unique business situations or community circumstances, including the development of recreation infrastructure and the promotion of the

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high tech sector in the state, which lend themselves to the furtherance of the economic interests of the state by providing a catalyst or stimulus to the growth or retention, or both, of commerce and industry in the state, including retention of companies whose relocation outside the state would have a significant detrimental economic impact on the state as a whole, regions of the state, or specific components of the state as determined by the board.

~~[(5)]~~ (7) "Economically disadvantaged rural area" means a geographic area designated by the board under Section 63N-3-111.

(8) "Federally certificated air carrier" means the same as that term is defined in Section 59-13-102.

(9) "Investor" means a federally certificated air carrier.

(10) "New aviation fuel" means an average of at least 2,000 barrels of aviation fuel per day during the previous calendar year above a baseline established in accordance with Section 63N-3-112.

~~[(6)]~~ (11) "Nonattainment area" means a part of the state where air quality is determined to exceed the National Ambient Air Quality Standards, as defined in the Clean Air Act Amendments of 1970, Pub. L. No. 91-604, Sec. 109, for fine particulate matter (PM 2.5).

~~[(7)]~~ (12) "Replacement company" means a company locating its business or part of its business in a location vacated by a company creating an economic impediment.

~~[(8)]~~ (13) "Restricted Account" means the restricted account known as the Industrial Assistance Account created in Section 63N-3-103.

~~[(9)]~~ (14) "Targeted industry" means an industry or group of industries targeted by the board under Section 63N-3-111, for economic development in the state.

Section 7. Section **63N-3-103** is amended to read:

63N-3-103. Industrial Assistance Account created -- Uses -- Administrator duties -- Costs.

(1) There is created a restricted account within the General Fund known as the "Industrial Assistance Account" of which annually:

(a) except as provided in Subsection (1)(b):

~~[(a)]~~ (i) up to 50% of the unencumbered money in the account may be used in economically disadvantaged rural areas; and

~~[(b)]~~ (ii) up to the greater of \$250,000 or 25% of the unencumbered money in the

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account may be used to take timely advantage of economic opportunities as they arise[-]; and

(b) \$1,000,000 shall be used for the purposes described in Section 63N-3-112.

(2) The administrator shall administer the restricted account created under Subsection (1) under the policy direction of the board.

(3) The administrator may hire appropriate support staff to perform the duties required under this section.

(4) (a) [The] Except as provided in Subsection (4)(b), the cost of administering the restricted account shall be paid from money in the restricted account.

(b) The cost of administering the restricted account may not be paid from the \$1,000,000 in the restricted account to be used for the purposes described in Section 63N-3-112.

(5) Interest accrued from investment of money in the restricted account shall remain in the restricted account.

(6) The office shall review the activities and progress of grant recipients under this chapter on a regular basis and, as part of the office's annual written report described in Section 63N-1-301, report on the economic impact of activities funded by the grants.

(7) Any revenue described in Subsection (1)(b) that the office does not expend by the close of the fiscal year lapses to the General Fund.

Section 8. Section 63N-3-104 is amended to read:

63N-3-104. Rural Fast Track Program -- Creation -- Funding -- Qualifications for program participation -- Awards -- Reports.

(1) (a) There is created the Rural Fast Track Program.

(b) The program is a funded component of the economically disadvantaged rural areas designation in Subsection 63N-3-103(1)(a)(i).

(2) In awarding a grant, loan, or other financial assistance under this section, the administrator shall:

(a) consider whether the award will:

(i) provide an efficient way for small companies in rural areas of the state to receive incentives for capital investment; and

(ii) lead to the creation of high paying jobs in rural areas of the state; and

(b) request and consider a recommendation from the Governor's Rural Partnership

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Board created in Section 63C-10-102 regarding an applicant seeking a grant, loan, or other financial assistance under Subsection (5)(d).

(3) (a) Subject to available funds in the restricted account, at least \$1,500,000 from the Industrial Assistance Account created in Subsection 63N-3-103(1) shall be used to fund the program at the beginning of each fiscal year.

(b) The amount referred to in Subsection (3)(a) is not in addition to but is a part of the up to 50% designation for economically disadvantaged rural areas referred to in Subsection 63N-3-103(1)(a)(i).

(c) If any of the funding referred to in Subsection (3)(a) has not been used in the program by the end of the third quarter of each fiscal year, that money may be used for any other loan, grant, or assistance program offered through the Industrial Assistance Account during the fiscal year.

(4) (a) To qualify for participation in the program a company:

(i) shall complete and file with the office an application for participation in the program, signed by an officer of the company;

(ii) shall be located and conduct its business operations in a county in the state of the third, fourth, fifth, or sixth class as described in Section 17-50-501;

(iii) that is located and conducts its business operations in a county of the third class as described in Section 17-50-501, may not be located and conduct its business operations within a city that has a:

(A) population of more than 20,000; or

(B) median household income of more than \$70,000 as reflected in the most recently available data collected and reported by the United States Census Bureau;

(iv) shall have been in business in the state for at least two years; and

(v) shall have at least two employees.

(b) (i) The office shall verify an applicant's qualifications under Subsection (4)(a).

(ii) The application must be approved by the administrator in order for a company to receive an incentive or other assistance under this section.

(c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the administrator may make rules governing:

(i) the content of the application form referred to in Subsection (4)(a)(i);

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(ii) who qualifies as an employee under Subsection (4)(a)(v); and

(iii) the verification procedure referred to in Subsection (4)(b).

(5) (a) The administrator shall make incentive cash awards to small companies under this section based on the following criteria:

(i) \$1,000 for each new incremental job that pays over 110% of the county's median annual wage;

(ii) \$1,250 for each incremental job that pays over 115% of the county's median annual wage; and

(iii) \$1,500 for each incremental job that pays over 125% of the county's median annual wage.

(b) The administrator shall make a cash award under Subsection (5)(a) when a new incremental job has been in place for at least 12 months.

(c) The creation of a new incremental job by a company is based on the number of employees at the company during the previous 24 months.

(d) A small company may also apply for grants, loans, or other financial assistance under the program for capital investment to help develop its business in rural Utah and may receive:

(i) up to \$50,000 under the program if approved by the administrator; or

(ii) over \$50,000 under the program if approved by the administrator and the board.

(6) The administrator shall make an annual report to the board of the awards made by the administrator under this section and submit a report to the office on the awards and their impact on economic development in the state's rural areas for inclusion in the office's annual written report described in Section 63N-1-301.

Section 9. Section 63N-3-104.5 is amended to read:

63N-3-104.5. Business Expansion and Retention Initiative -- Creation -- Funding -- Qualifications for program participation -- Awards -- Reports.

(1) As used in this section:

(a) "Business resource centers" means the same as that term is defined in Section 63N-3-303.

(b) "Rural economic development entity" means a public, nonprofit, or private organization primarily engaged in economic development efforts in a rural area of the state, and

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may include:

(i) county, city, or tribal economic development offices;

(ii) associations of governments, established pursuant to an interlocal agreement under

Title 11, Chapter 13, Interlocal Cooperation Act;

(iii) business resource centers; or

(iv) small business development centers, established under the United States Small

Business Administration's small business development center program.

(2) (a) There is created the Business Expansion and Retention Initiative.

(b) The program is a funded component of the economically disadvantaged rural areas designation in Subsection 63N-3-103(1)(a)(i).

(3) In awarding a grant under this section, the administrator shall:

(a) consider whether the grant will:

(i) assist new and existing rural businesses;

(ii) influence rural job creation; and

(iii) diversify Utah's rural economies; and

(b) request and consider a recommendation from the Governor's Rural Partnership

Board created in Section 63C-10-102 regarding an applicant seeking financial assistance under this section.

(4) (a) Subject to available funds in the restricted account, at least \$350,000 from the Industrial Assistance Account created in Subsection 63N-3-103(1) shall be used to fund the program at the beginning of each fiscal year.

(b) The amount referred to in Subsection (4)(a) is not in addition to but is a part of the up to 50% designation for economically disadvantaged rural areas referred to in Subsection 63N-3-103(1)(a)(i).

(c) If any of the funding referred to in Subsection (4)(a) has not been used in the program by the end of the third quarter of each fiscal year, that money may be used for any other loan, grant, or assistance program offered through the Industrial Assistance Account during the fiscal year.

(5) (a) To qualify for participation in the program a rural economic development entity:

(i) shall complete and file with the office an application for participation in the program;

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(ii) shall be located and conduct its operations in a county in the state of the third, fourth, fifth, or sixth class as described in Section 17-50-501; and

(iii) that is located and conducts its operations in a county of the third class as described in Section 17-50-501, may not be located and conduct its operations within a city that has a:

(A) population of more than 20,000; or

(B) median household income of more than \$70,000 as reflected in the most recently available data collected and reported by the United States Census Bureau.

(b) (i) The office shall verify an applicant's qualifications under Subsection (5)(a).

(ii) The application must be approved by the administrator in order for a rural economic development entity to receive a grant under this section.

(c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the administrator may make rules governing:

(i) the content of the application form referred to in Subsection (5)(a)(i); and

(ii) the verification procedure referred to in Subsection (5)(b).

(6) The board may issue a grant of no more than \$30,000 to a single rural economic development entity under this section in any calendar year.

(7) A rural economic development entity shall use a grant awarded under this section to:

(a) conduct outreach and information gathering efforts to better understand the needs of local businesses; or

(b) engage in other activity approved by the administrator that is intended to expand or retain businesses in a rural area of the state.

(8) The administrator shall make an annual report to the board of the awards made by the administrator under this section and submit a report to the office on the awards and their impact on economic development in the state's rural areas for inclusion in the office's annual written report described in Section 63N-1-301.

Section 10. Section 63N-3-105 is amended to read:

63N-3-105. Qualification for assistance.

(1) Except as provided in Section 63N-3-108, 63N-3-109, 63N-3-109.5, [or] 63N-3-110, or 63N-3-112, the administrator shall determine which industries, companies, and

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individuals qualify to receive money from the Industrial Assistance Account. Except as provided by Subsection (2), to qualify for financial assistance from the restricted account, an applicant shall:

(a) demonstrate to the satisfaction of the administrator that the applicant will expend funds in Utah with employees, vendors, subcontractors, or other businesses in an amount proportional with money provided from the restricted account at a minimum ratio of 2 to 1 per year or other more stringent requirements as established from time to time by the board for a minimum period of five years beginning with the date the loan or grant was approved;

(b) demonstrate to the satisfaction of the administrator the applicant's ability to sustain economic activity in the state sufficient to repay, by means of cash or appropriate credits, the loan provided by the restricted account; and

(c) satisfy other criteria the administrator considers appropriate.

(2) (a) The administrator may exempt an applicant from the requirements of Subsection (1)(a) or (b) if:

(i) the financial assistance is provided to an applicant for the purpose of locating all or any portion of its operations to an economically disadvantaged rural area;

(ii) the applicant is part of a targeted industry;

(iii) the applicant is a quasi-public corporation organized under Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act, or Title 63E, Chapter 2, Independent Corporations Act, and its operations, as demonstrated to the satisfaction of the administrator, will provide significant economic stimulus to the growth of commerce and industry in the state; or

(iv) the applicant is an entity offering an economic opportunity under Section 63N-3-109.

(b) The administrator may not exempt the applicant from the requirement under Subsection 63N-3-106(2)(b) that the loan be structured so that the repayment or return to the state equals at least the amount of the assistance together with an annual interest charge.

(3) The administrator shall:

(a) for applicants not described in Subsection (2)(a):

(i) make findings as to whether or not each applicant has satisfied each of the conditions set forth in Subsection (1); and

(ii) monitor the continued compliance by each applicant with each of the conditions set

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forth in Subsection (1) for five years;

(b) for applicants described in Subsection (2)(a), make findings as to whether the economic activities of each applicant has resulted in the creation of new jobs on a per capita basis in the economically disadvantaged rural area or targeted industry in which the applicant is located;

(c) monitor the compliance by each applicant with the provisions of any contract or agreement entered into between the applicant and the state as provided in Section 63N-3-107; and

(d) make funding decisions based upon appropriate findings and compliance.

Section 11. Section 63N-3-112 is enacted to read:

63N-3-112. Grant to investor in new aviation fuel product -- Application requirements -- Rulemaking.

(1) (a) Subject to the other provisions of this section, an investor that meets the requirements described in Subsection (2) may apply annually to receive up to a \$1,000,000 grant from the Industrial Assistance Account.

(b) An investor may apply for a grant under this Subsection (1)(b) only for ten consecutive years, and the maximum amount of grants that an investor can receive is \$10,000,000.

(2) (a) To be eligible for a grant under this section, an investor shall have invested at least \$30,000,000 into an aviation fuel project:

(i) that produced new aviation fuel during the previous calendar year; and

(ii) for which the refinery purchased at least the minimum threshold of barrels of crude oil in the state during the previous calendar year.

(b) The minimum threshold of barrels of crude oil is the percentage described in Subsection (2)(b)(i) or (ii) above the barrels of crude oil purchased in the state during the baseline year:

(i) 20%; or

(ii) if the refinery experienced industry-recognized downtime during the previous calendar year, the percentage calculated by multiplying the percentage described in Subsection (2)(b)(i) by the number of months that the refinery operated during the previous year divided by 12.

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(3) Each year that an investor applies for a grant under this section, the investor shall submit an application that includes:

(a) the total amount to date that the investor has contributed to an aviation fuel project;

(b) with the application for the first year only, the number of barrels of aviation fuel the refinery produced per day during the calendar year before the aviation fuel project began producing new aviation fuel;

(c) the number of barrels of aviation fuel that the aviation fuel project produced per day during the previous calendar year;

(d) the number of barrels of aviation fuel the aviation fuel project sold during the previous calendar year;

(e) with the application for the first year only, the number of barrels of crude oil that the refinery purchased from producers in the state during the calendar year before the aviation fuel project began producing new aviation fuel;

(f) the number of barrels of crude oil that the refinery purchased from producers in the state during the previous calendar year; and

(g) any other information requested by the office relevant to an aviation fuel project.

(4) Upon receiving an investor's first application, the office shall establish a baseline of:

(a) aviation fuel produced and sold by the refinery for the calendar year before the aviation fuel project began producing new aviation fuel; and

(b) the number of barrels of crude oil the refinery purchased from producers in the state during the calendar year before the aviation fuel project began producing new aviation fuel.

(5) (a) To determine if the aviation fuel project has produced and sold new aviation fuel and purchased the minimum threshold of barrels of crude oil in the state, the office shall compare the information submitted by the investor to the baseline established in Subsection (4) and to State Tax Commission data.

(b) (i) For purposes of making the determinations required by Subsection (5)(a), the office may require the investor to provide the office with a document that expressly directs and authorizes the State Tax Commission to disclose to the office the business entity's returns and other information that would otherwise be subject to confidentiality under Section 59-1-403 or Section 6103, Internal Revenue Code.

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(ii) The office shall submit the document described in Subsection (5)(b)(i) to the State Tax Commission.

(iii) Upon receipt of a document described in Subsection (5)(b)(i), the State Tax Commission shall provide the office with the returns and other information requested by the office that the State Tax Commission is directed or authorized to provide to the office in accordance with Subsection (5)(b)(i).

(6) (a) The office may award a grant to an investor if the office determines that the investor meets the requirements of Subsection (2).

(b) The office may not award grant money in excess of the amount that the Division of Finance transfers for the fiscal year to the Industrial Assistance Account for the purposes described in this section.

(c) If more than one investor qualifies for a grant, the office shall prorate the grant based on the level of investment.

(7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the office may make rules establishing:

(a) the application and reporting criteria for an investor to receive a grant under this section;

(b) procedures for setting the baselines for:

(i) aviation fuel produced and sold by the refinery; and

(ii) the number of barrels of crude oil purchased in the state; and

(c) the requirements for demonstrating industry-recognized downtime.

Section 12. Section 63N-3-113 is enacted to read:

63N-3-113. Certification to Division of Finance.

On or before March 31, the office shall provide a certification to the Division of Finance if an investor qualifies for a grant under Section 63N-3-112 for the previous calendar year.

Section 13. Effective date.

This bill takes effect on January 1, 2020.