



# House of Representatives *State of Utah*

UTAH STATE CAPITOL COMPLEX • 350 STATE CAPITOL  
P.O. BOX 145030 • SALT LAKE CITY, UTAH 84114-5030 • (801) 538-1029

February 22, 2019

Mr. Speaker,

The Revenue and Taxation Committee reports a favorable recommendation on **H.B. 196**, ENTERPRISE ZONE TAX CREDIT AMENDMENTS, by Representative D. V. Sagers, with the following amendments:

1. *Page 3, Lines 61 through 62:*

- 61 (a) (i) except as provided in Subsection (7)(a)(ii), a tax credit of \$750 may be  
claimed by a business entity for each new full-time  
62 employee position created within the enterprise zone; or  
(ii) if a business entity produces, processes, distributes, dispenses, or stores  
hydrogen for use as a fuel, a tax credit of \$750 may be claimed by the business entity  
for each new full-time employee position created within the enterprise zone if the  
new full-time employee position created within the enterprise zone pays at least  
125% of:  
(A) the county average monthly nonagricultural payroll wage for the  
respective industry as determined by the Department of Workforce Services; or  
(B) if the county average monthly nonagricultural payroll wage is not  
available for the  
respective industry, the total average monthly nonagricultural payroll wage in the  
respective county where the enterprise zone is located;

2. *Page 3, Lines 63 through 69:*

- 63 (b) (i) except as provided in Subsection (7)(b)(ii), an additional \$500 tax  
credit may be claimed if the new full-time employee position  
64 created within the enterprise zone pays at least 125% of:  
65 ~~{(i)}~~ (A) the county average monthly nonagricultural payroll wage for  
the respective industry  
66 as determined by the Department of Workforce Services; or  
67 ~~{(ii)}~~ (B) if the county average monthly nonagricultural payroll wage is  
not available for the  
68 respective industry, the total average monthly nonagricultural payroll wage in the

Bill Number



HB0196

Action Class



H

Action Code



HCRAMD

respective

69 county where the enterprise zone is located; or

(ii) if a business entity produces, processes, distributes, dispenses, or stores hydrogen for use as a fuel, an additional \$500 tax credit may be claimed if the new full-time employee position created within the enterprise zone pays at least 150% of:

(A) the county average monthly nonagricultural payroll wage for the respective industry as determined by the Department of Workforce Services; or

(B) if the county average monthly nonagricultural payroll wage is not available for the

respective industry, the total average monthly nonagricultural payroll wage in the respective county where the enterprise zone is located;

3. Page 3, Lines 77 through 83:

77 ~~{(e) an additional tax credit of \$750 may be claimed if the new full-time employee~~

78 ~~position created within the enterprise zone is in a business entity that produces or processes~~

79 ~~hydrogen for use as a fuel;~~

80 ~~—(f) an additional tax credit of \$750 may be claimed if the new full-time employee~~

81 ~~position created within the enterprise zone is in a business entity that distributes or dispenses~~

82 ~~hydrogen fuel;~~

83 ~~—+} (e) {+(g)}~~ a tax credit of 25% of the first \$200,000 spent on rehabilitating a building in

4. Page 3, Line 85:

85 ~~{+} (f) {+(h)}~~ an annual investment tax credit of 10% of the first \$250,000 in investment,

5. Page 3, Line 88:

88 ~~{(i)}~~ (g) an additional annual investment tax credit of 10% of the first

Bill Number



HB0196

Action Class



H

Action Code



HCRAMD

\$250,000 investment.

6. *Page 4, Lines 92 through 94:*

92 (ii) to distribute ~~{or}~~ , dispense , or store hydrogen fuel.  
93 (8) (a) Subject to the limitations of Subsection (8)(b), a business entity claiming a  
tax  
94 credit under Subsections (7)(a) through ~~{+}~~ (d) ~~{+(f)}~~ may claim the tax  
credit for no more than 30

7. *Page 4, Lines 96 through 99:*

96 (b) A business entity that received a tax credit for one or more new full-time  
employee  
97 positions under Subsections (7)(a) through ~~{+}~~ (d) ~~{+(f)}~~ in a prior taxable  
year may claim a tax  
98 credit for a new full-time employee position in a subsequent taxable year under  
Subsections  
99 (7)(a) through ~~{+}~~ (d) ~~{+(f)}~~ if:

8. *Page 4, Line 107:*

107 through ~~{+}~~ (d) ~~{+(f)}~~ .

9. *Page 4, Lines 115 through 116:*

115 (a) may not claim tax credits under Subsections (7)(a) through ~~{+}~~ (d) ~~{+(f)}~~  
~~(f)}~~ ; and  
116 (b) may claim tax credits under Subsections ~~{+}~~ (7)(e) ~~{+(7)(g)}~~  
through ~~(f)~~ ~~(f)}~~ (g) .

Respectfully,

Robert M. Spendlove  
Chair

Voting: 10-1-3

5 HB0196.HC1.wpd 2/22/19 2:24 pm ajanak/ARJ SCH/SJB

Bill Number



HB0196

Action Class



H

Action Code



HCRAMD