PAYCHECK PROTECTION PROGRAM RECIPIENT RELIEF

GRANT PROGRAM

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Suzanne Harrison

Senate Sponsor: ____________

LONG TITLE

General Description:

This bill creates the Small Business Paycheck Protection Program Recipient Relief Grant Program.

Highlighted Provisions:

This bill:

▶ creates a grant program for certain small businesses that received forgiven loans from a paycheck protection program;

▶ grants rulemaking authority to the Governor's Office of Economic Development to administer the grant program;

▶ requires the Governor's Office of Economic Development and the Division of Finance to report information about the grant program to the Legislature;

▶ provides for funding reallocation if necessary;

▶ creates a subtraction from state income for funds received from the grant program;

and

▶ schedules the repeal of the grant program.

Money Appropriated in this Bill:

None

Other Special Clauses:

None
Be it enacted by the Legislature of the state of Utah:

Section 1. Section 59-7-106 is amended to read:

59-7-106. Subtractions from unadjusted income.

(1) In computing adjusted income, the following amounts shall be subtracted from unadjusted income:

(a) the foreign dividend gross-up included in gross income for federal income tax purposes under Section 78, Internal Revenue Code;

(b) subject to Subsection (2), the net capital loss, as defined for federal purposes, if the taxpayer elects to deduct the net capital loss on the return filed under this chapter for the taxable year for which the net capital loss is incurred;

(c) the decrease in salary expense deduction for federal income tax purposes due to claiming the federal work opportunity credit under Section 51, Internal Revenue Code;

(d) the decrease in qualified research and basic research expense deduction for federal income tax purposes due to claiming the federal credit for increasing research activities under Section 41, Internal Revenue Code;

(e) the decrease in qualified clinical testing expense deduction for federal income tax purposes due to claiming the federal credit for clinical testing expenses for certain drugs for rare diseases or conditions under Section 45C, Internal Revenue Code;

(f) any decrease in any expense deduction for federal income tax purposes due to
claiming any other federal credit;

(g) the safe harbor lease adjustment required under Subsections 59-7-111(1)(b) and (2)(b);

(h) any income on the federal corporation income tax return that has been previously taxed by Utah;

(i) an amount included in federal taxable income that is due to a refund of a tax, including a franchise tax, an income tax, a corporate stock and business tax, or an occupation tax:

(i) if that tax is imposed for the privilege of:

(A) doing business; or

(B) exercising a corporate franchise;

(ii) if that tax is paid by the corporation to:

(A) Utah;

(B) another state of the United States;

(C) a foreign country;

(D) a United States possession; or

(E) the Commonwealth of Puerto Rico; and

(iii) to the extent that tax was added to unadjusted income under Section 59-7-105;

(j) a charitable contribution, to the extent the charitable contribution is allowed as a subtraction under Section 59-7-109;

(k) subject to Subsection (3), 50% of a dividend considered to be received or received from a subsidiary that:

(i) is a member of the unitary group;

(ii) is organized or incorporated outside of the United States; and

(iii) is not included in a combined report under Section 59-7-402 or 59-7-403;

(l) subject to Subsection (4) and Section 59-7-401, 50% of the adjusted income of a foreign operating company;

(m) the amount of gain or loss that is included in unadjusted income but not recognized for federal purposes on stock sold or exchanged by a member of a selling consolidated group as defined in Section 338, Internal Revenue Code, if an election has been made in accordance with Section 338(h)(10), Internal Revenue Code;
(n) the amount of gain or loss that is included in unadjusted income but not recognized for federal purposes on stock sold, exchanged, or distributed by a corporation in accordance with Section 336(e), Internal Revenue Code, if an election under Section 336(e), Internal Revenue Code, has been made for federal purposes;
(o) subject to Subsection (5), an adjustment to the following due to a difference between basis for federal purposes and basis as computed under Section 59-7-107:
(i) an amortization expense;
(ii) a depreciation expense;
(iii) a gain;
(iv) a loss; or
(v) an item similar to Subsections (1)(o)(i) through (iv);
(p) an interest expense that is not deducted on a federal corporation income tax return under Section 265(b) or 291(e), Internal Revenue Code;
(q) 100% of dividends received from a subsidiary that is an insurance company if that subsidiary that is an insurance company is:
(i) exempt from this chapter under Subsection 59-7-102(1)(c); and
(ii) under common ownership;
(r) subject to Subsection 59-7-105(10), for a corporation that is an account owner as defined in Section 53B-8a-102, the amount of a qualified investment as defined in Section 53B-8a-102.5:
(i) that the corporation or a person other than the corporation makes into an account owned by the corporation during the taxable year;
(ii) to the extent that neither the corporation nor the person other than the corporation described in Subsection (1)(r)(i) deducts the qualified investment on a federal income tax return; and
(iii) to the extent the qualified investment does not exceed the maximum amount of the qualified investment that may be subtracted from unadjusted income for a taxable year in accordance with Subsection 53B-8a-106(1);
(s) for a corporation that makes a donation, as that term is defined in Section 53B-8a-201, to the Student Prosperity Savings Program created in Section 53B-8a-202, the amount of the donation to the extent that the corporation did not deduct the donation on a
121 federal income tax return;
122 (t) for purposes of income included in a combined report under Part 4, Combined
123 Reporting, the entire amount of the dividends a member of a unitary group receives or is
124 considered to receive from a captive real estate investment trust;
125 (u) the increase in income for federal income tax purposes due to claiming a:
126 (i) qualified tax credit bond credit under Section 54A, Internal Revenue Code; or
127 (ii) qualified zone academy bond under Section 1397E, Internal Revenue Code;
128 (v) for a taxable year beginning on or after January 1, 2019, but beginning on or before
129 December 31, 2019, only:
130 (i) the amount of any FDIC premium paid or incurred by the taxpayer that is
131 disallowed as a deduction for federal income tax purposes under Section 162(r), Internal
132 Revenue Code, on the taxpayer's 2018 federal income tax return; plus
133 (ii) the amount of any FDIC premium paid or incurred by the taxpayer that is
134 disallowed as a deduction for federal income tax purposes under Section 162(r), Internal
135 Revenue Code, for the taxable year;
136 (w) for a taxable year beginning on or after January 1, 2020, the amount of any FDIC
137 premium paid or incurred by the taxpayer that is disallowed as a deduction for federal income
138 tax purposes under Section 162(r), Internal Revenue Code, for the taxable year; [and]
139 (x) for a taxable year beginning on or after January 1, 2020, but beginning on or before
140 December 31, 2020, the amount of:
141 (i) a paycheck protection loan similar to a loan forgiven in accordance with 15 U.S.C.
142 Sec. 636(a)(36) that is:
143 (A) authorized by the federal government;
144 (B) provided in response to COVID-19;
145 (C) forgiven if the borrower meets the expenditure requirements; and
146 (D) subject to federal income tax, to the extent that a deduction for the expenditures
147 paid with the loan is disallowed; and
148 (ii) any grant funds or forgiven loans that:
149 (A) the taxpayer receives from the state, a county within the state, or a municipality
150 within the state in response to COVID-19;
151 (B) are funded using federal revenue received by the state, the county, or the
municipality to respond to COVID-19; and
(C) are included in unadjusted income[.]; and
(y) for a taxable year beginning on or after January 1, 2021, but beginning on or before December 31, 2021, the amount of any grant funds the taxpayer receives under Title 63N, Chapter 15, Part 6, Small Businesses Paycheck Protection Program Recipient Relief Grant Program, to the extent that the grant funds are included in unadjusted income.

(2) For purposes of Subsection (1)(b):
(a) the subtraction shall be made by claiming the subtraction on a return filed:
(i) under this chapter for the taxable year for which the net capital loss is incurred; and
(ii) by the due date of the return, including extensions; and
(b) a net capital loss for a taxable year shall be:
(i) subtracted for the taxable year for which the net capital loss is incurred; or
(ii) carried forward as provided in Sections 1212(a)(1)(B) and (C), Internal Revenue Code.

(3) (a) For purposes of calculating the subtraction provided for in Subsection (1)(k), a taxpayer shall first subtract from a dividend considered to be received or received an expense directly attributable to that dividend.
(b) For purposes of Subsection (3)(a), the amount of an interest expense that is considered to be directly attributable to a dividend is calculated by multiplying the interest expense by a fraction:
(i) the numerator of which is the taxpayer's average investment in the dividend paying subsidiaries; and
(ii) the denominator of which is the taxpayer's average total investment in assets.
(c) (i) For purposes of calculating the subtraction allowed by Subsection (1)(k), in determining income apportionable to this state, a portion of the factors of a foreign subsidiary that has dividends that are partially subtracted under Subsection (1)(k) shall be included in the combined report factors as provided in this Subsection (3)(c).
(ii) For purposes of Subsection (3)(c)(i), the portion of the factors of a foreign subsidiary that has dividends that are partially subtracted under Subsection (1)(k) that shall be included in the combined report factors is calculated by multiplying each factor of the foreign subsidiary by a fraction:
(A) not to exceed 100%; and

(B) (I) the numerator of which is the amount of the dividend paid by the foreign subsidiary that is included in adjusted income; and

(II) the denominator of which is the current year earnings and profits of the foreign subsidiary as determined under the Internal Revenue Code.

(4) (a) For purposes of Subsection (1)(l), a taxpayer may not make a subtraction under Subsection (1)(l):

(i) if the taxpayer elects to file a worldwide combined report as provided in Section 59-7-403; or

(ii) for the following:

(A) income generated from intangible property; or

(B) a capital gain, dividend, interest, rent, royalty, or other similar item that is generated from an asset held for investment and not from a regular business trading activity.

(b) In calculating the subtraction provided for in Subsection (1)(l), a foreign operating company:

(i) may not subtract an amount provided for in Subsection (1)(k) or (l); and

(ii) prior to determining the subtraction under Subsection (1)(l), shall eliminate a transaction that occurs between members of a unitary group.

(c) For purposes of the subtraction provided for in Subsection (1)(l), in determining income apportionable to this state, the factors for a foreign operating company shall be included in the combined report factors in the same percentages as the foreign operating company's adjusted income is included in the combined adjusted income.

(d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define what constitutes:

(i) income generated from intangible property; or

(ii) a capital gain, dividend, interest, rent, royalty, or other similar item that is generated from an asset held for investment and not from a regular business trading activity.

(5) (a) For purposes of the subtraction provided for in Subsection (1)(o), the amount of a reduction in basis shall be allowed as an expense for the taxable year in which a federal tax credit is claimed if:

(i) there is a reduction in federal basis for a federal tax credit; and
(ii) there is no corresponding tax credit allowed in this state.

(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define what constitutes an item similar to Subsections (1)(o)(i) through (iv).

Section 2. Section 59-10-114 is amended to read:

59-10-114. Additions to and subtractions from adjusted gross income of an individual.

(1) There shall be added to adjusted gross income of a resident or nonresident individual:

(a) a lump sum distribution that the taxpayer does not include in adjusted gross income on the taxpayer's federal individual income tax return for the taxable year;

(b) the amount of a child's income calculated under Subsection (4) that:

(i) a parent elects to report on the parent's federal individual income tax return for the taxable year; and

(ii) the parent does not include in adjusted gross income on the parent's federal individual income tax return for the taxable year;

(c) (i) a withdrawal from a medical care savings account and any penalty imposed for the taxable year if:

(A) the resident or nonresident individual does not deduct the amounts on the resident or nonresident individual's federal individual income tax return under Section 220, Internal Revenue Code;

(B) the withdrawal is subject to Subsections 31A-32a-105(1) and (2); and

(C) the withdrawal is subtracted on, or used as the basis for claiming a tax credit on, a return the resident or nonresident individual files under this chapter;

(ii) a disbursement required to be added to adjusted gross income in accordance with Subsection 31A-32a-105(3); or

(iii) an amount required to be added to adjusted gross income in accordance with Subsection 31A-32a-105(5)(c);

(d) the amount withdrawn under Title 53B, Chapter 8a, Utah Educational Savings Plan, from the account of a resident or nonresident individual who is an account owner as defined in Section 53B-8a-102, for the taxable year for which the amount is withdrawn, if that amount
withdrawn from the account of the resident or nonresident individual who is the account owner:

(i) is not expended for:

(A) higher education costs as defined in Section 53B-8a-102.5; or

(B) a payment or distribution that qualifies as an exception to the additional tax for distributions not used for educational expenses provided in Sections 529(c) and 530(d), Internal Revenue Code; and

(ii) is:

(A) subtracted by the resident or nonresident individual:

(I) who is the account owner; and

(II) on the resident or nonresident individual's return filed under this chapter for a taxable year beginning on or before December 31, 2007; or

(B) used as the basis for the resident or nonresident individual who is the account owner to claim a tax credit under Section 59-10-1017;

(e) except as provided in Subsection (5), for bonds, notes, and other evidences of indebtedness acquired on or after January 1, 2003, the interest from bonds, notes, and other evidences of indebtedness:

(i) issued by one or more of the following entities:

(A) a state other than this state;

(B) the District of Columbia;

(C) a political subdivision of a state other than this state; or

(D) an agency or instrumentality of an entity described in Subsections (1)(e)(i)(A) through (C); and

(ii) to the extent the interest is not included in adjusted gross income on the taxpayer's federal income tax return for the taxable year;

(f) subject to Subsection (2)(c), any distribution received by a resident beneficiary of a resident trust of income that was taxed at the trust level for federal tax purposes, but was subtracted from state taxable income of the trust pursuant to Subsection 59-10-202(2)(b);

(g) any distribution received by a resident beneficiary of a nonresident trust of undistributed distributable net income realized by the trust on or after January 1, 2004, if that undistributed distributable net income was taxed at the trust level for federal tax purposes, but
was not taxed at the trust level by any state, with undistributed distributable net income
considered to be distributed from the most recently accumulated undistributed distributable net
income; and
(h) any adoption expense:
   (i) for which a resident or nonresident individual receives reimbursement from another
   person; and
   (ii) to the extent to which the resident or nonresident individual subtracts that adoption
   expense:
       (A) on a return filed under this chapter for a taxable year beginning on or before
       December 31, 2007; or
       (B) from federal taxable income on a federal individual income tax return.
(2) There shall be subtracted from adjusted gross income of a resident or nonresident
individual:
   (a) the difference between:
       (i) the interest or a dividend on an obligation or security of the United States or an
       authority, commission, instrumentality, or possession of the United States, to the extent that
       interest or dividend is:
           (A) included in adjusted gross income for federal income tax purposes for the taxable
           year; and
           (B) exempt from state income taxes under the laws of the United States; and
       (ii) any interest on indebtedness incurred or continued to purchase or carry the
       obligation or security described in Subsection (2)(a)(i);
       (b) for taxable years beginning on or after January 1, 2000, if the conditions of
       Subsection (3)(a) are met, the amount of income derived by a Ute tribal member:
       (i) during a time period that the Ute tribal member resides on homesteaded land
       diminished from the Uintah and Ouray Reservation; and
       (ii) from a source within the Uintah and Ouray Reservation;
       (c) an amount received by a resident or nonresident individual or distribution received
       by a resident or nonresident beneficiary of a resident trust:
       (i) if that amount or distribution constitutes a refund of taxes imposed by:
       (A) a state; or
(B) the District of Columbia; and
(ii) to the extent that amount or distribution is included in adjusted gross income for
that taxable year on the federal individual income tax return of the resident or nonresident
individual or resident or nonresident beneficiary of a resident trust;
(d) the amount of a railroad retirement benefit:
(i) paid:
(A) in accordance with The Railroad Retirement Act of 1974, 45 U.S.C. Sec. 231 et
seq.;
(B) to a resident or nonresident individual; and
(C) for the taxable year; and
(ii) to the extent that railroad retirement benefit is included in adjusted gross income on
that resident or nonresident individual's federal individual income tax return for that taxable
year;
(e) an amount:
(i) received by an enrolled member of an American Indian tribe; and
(ii) to the extent that the state is not authorized or permitted to impose a tax under this
part on that amount in accordance with:
(A) federal law;
(B) a treaty; or
(C) a final decision issued by a court of competent jurisdiction;
(f) an amount received:
(i) for the interest on a bond, note, or other obligation issued by an entity for which
state statute provides an exemption of interest on its bonds from state individual income tax;
(ii) by a resident or nonresident individual;
(iii) for the taxable year; and
(iv) to the extent the amount is included in adjusted gross income on the taxpayer's
federal income tax return for the taxable year;
(g) the amount of all income, including income apportioned to another state, of a
nonmilitary spouse of an active duty military member if:
(i) both the nonmilitary spouse and the active duty military member are nonresident
individuals;
(ii) the active duty military member is stationed in Utah;
(iii) the nonmilitary spouse is subject to the residency provisions of 50 U.S.C. Sec. 4001(a)(2); and
(iv) the income is included in adjusted gross income for federal income tax purposes for the taxable year;

(h) for a taxable year beginning on or after January 1, 2019, but beginning on or before December 31, 2019, only:
   (i) the amount of any FDIC premium paid or incurred by the taxpayer that is disallowed as a deduction for federal income tax purposes under Section 162(r), Internal Revenue Code, on the taxpayer's 2018 federal income tax return; plus
   (ii) the amount of any FDIC premium paid or incurred by the taxpayer that is disallowed as a deduction for federal income tax purposes under Section 162(r), Internal Revenue Code, for the taxable year;

(i) for a taxable year beginning on or after January 1, 2020, the amount of any FDIC premium paid or incurred by the taxpayer that is disallowed as a deduction for federal income tax purposes under Section 162(r), Internal Revenue Code, for the taxable year; [and]

(j) for a taxable year beginning on or after January 1, 2020, but beginning on or before December 31, 2020, the amount:
   (i) of a paycheck protection loan similar to a loan forgiven in accordance with 15 U.S.C. Sec. 636(a)(36) that is:
      (A) authorized by the federal government;
      (B) provided in response to COVID-19;
      (C) forgiven if the borrower meets the expenditure requirements; and
      (D) subject to federal income tax, to the extent that a deduction for the expenditures paid with the loan is disallowed;
   (ii) that a resident or a nonresident individual receives that is:
      (A) authorized by the federal government as a tax credit for the 2020 tax year;
      (B) provided in response to COVID-19;
      (C) paid in advance of the filing of the individual's 2020 federal income tax return; and
      (D) subject to federal income tax; and
   (iii) of any grant funds or forgiven loans that:
(A) the resident or nonresident individual receives from the state, a county within the
state, or a municipality within the state in response to COVID-19;
(B) are funded by using federal revenue received by the state, the county, or the
municipality to respond to COVID-19; and
(C) are included in adjusted gross income[.]; and
(k) for a taxable year beginning on or after January 1, 2021, but beginning on or before
December 31, 2021, the amount of any grant funds the resident or nonresident individual
receives under Title 63N, Chapter 15, Part 6, Small Businesses Paycheck Protection Program
Recipient Relief Grant Program, to the extent that the grant funds are included in adjusted
gross income.
(a) A subtraction for an amount described in Subsection (2)(b) is allowed only if:
(i) the taxpayer is a Ute tribal member; and
(ii) the governor and the Ute tribe execute and maintain an agreement meeting the
requirements of this Subsection (3).
(b) The agreement described in Subsection (3)(a):
(i) may not:
(A) authorize the state to impose a tax in addition to a tax imposed under this chapter;
(B) provide a subtraction under this section greater than or different from the
subtraction described in Subsection (2)(b); or
(C) affect the power of the state to establish rates of taxation; and
(ii) shall:
(A) provide for the implementation of the subtraction described in Subsection (2)(b);
(B) be in writing;
(C) be signed by:
(I) the governor; and
(II) the chair of the Business Committee of the Ute tribe;
(D) be conditioned on obtaining any approval required by federal law; and
(E) state the effective date of the agreement.
(c) The governor shall report to the commission by no later than February 1 of each
year regarding whether or not an agreement meeting the requirements of this Subsection (3) is
in effect.
(ii) If an agreement meeting the requirements of this Subsection (3) is terminated, the subtraction permitted under Subsection (2)(b) is not allowed for taxable years beginning on or after the January 1 following the termination of the agreement.

(d) For purposes of Subsection (2)(b) and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules:

(i) for determining whether income is derived from a source within the Uintah and Ouray Reservation; and

(ii) that are substantially similar to how adjusted gross income derived from Utah sources is determined under Section 59-10-117.

(4) (a) For purposes of this Subsection (4), "Form 8814" means:

(i) the federal individual income tax Form 8814, Parents' Election To Report Child's Interest and Dividends; or

(ii) (A) a form designated by the commission in accordance with Subsection (4)(a)(ii)(B) as being substantially similar to 2000 Form 8814 if for purposes of federal individual income taxes the information contained on 2000 Form 8814 is reported on a form other than Form 8814; and

(B) for purposes of Subsection (4)(a)(ii)(A) and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules designating a form as being substantially similar to 2000 Form 8814 if for purposes of federal individual income taxes the information contained on 2000 Form 8814 is reported on a form other than Form 8814.

(b) The amount of a child's income added to adjusted gross income under Subsection (1)(b) is equal to the difference between:

(i) the lesser of:

(A) the base amount specified on Form 8814; and

(B) the sum of the following reported on Form 8814:

(I) the child's taxable interest;

(II) the child's ordinary dividends; and

(III) the child's capital gain distributions; and

(ii) the amount not taxed that is specified on Form 8814.

(5) Notwithstanding Subsection (1)(e), interest from bonds, notes, and other evidences
of indebtedness issued by an entity described in Subsections (1)(e)(i)(A) through (D) may not be added to adjusted gross income of a resident or nonresident individual if, as annually determined by the commission:

(a) for an entity described in Subsection (1)(e)(i)(A) or (B), the entity and all of the political subdivisions, agencies, or instrumentalities of the entity do not impose a tax based on income on any part of the bonds, notes, and other evidences of indebtedness of this state; or

(b) for an entity described in Subsection (1)(e)(i)(C) or (D), the following do not impose a tax based on income on any part of the bonds, notes, and other evidences of indebtedness of this state:

(i) the entity; or

(ii) (A) the state in which the entity is located; or

(B) the District of Columbia, if the entity is located within the District of Columbia.

Section 3. Section 63A-3-111 is amended to read:

63A-3-111. COVID-19 economic recovery programs reports.

(1) As used in this section:

(a) "COVID-19 economic recovery programs" means the programs created in:

(i) Title 9, Chapter 6, Part 9, COVID-19 Cultural Assistance Grant Program;

(ii) Subsection 63N-12-508(3); and

(iii) Title 63N, Chapter 15, COVID-19 Economic Recovery Programs.

(b) "Legislative committee" means:

(i) the president of the Senate;

(ii) the speaker of the House of Representatives;

(iii) the minority leader of the Senate; and

(iv) the minority leader of the House of Representatives.

(2) Upon receiving the reports required by Sections 9-6-903, 63N-15-202, [and] 63N-15-302, and 63N-15-603 and Subsection 63N-12-508(3), the director, in conjunction with the Division of Arts and Museums and the Governor's Office of Economic Development, shall present to the legislative committee the COVID-19 economic recovery programs.

(3) The legislative committee may make recommendations for adjustments to the COVID-19 economic recovery programs.

Section 4. Section 63I-2-263 is amended to read:
63I-2-263. Repeal dates, Title 63A to Title 63N.

[(1)] (1) On July 1, 2020:

[(a)] (a) Subsection 63A-1-203(5)(a)(i) is repealed; and

[(b)] (b) in Subsection 63A-1-203(5)(a)(ii), the language that states "appointed on or after May 8, 2018," is repealed.

[(2)] (2) (1) Section 63A-3-111 is repealed June 30, 2021.

(b) Subsection 63A-3-111(1)(a)(i), referencing Title 9, Chapter 6, Part 9, COVID-19 Cultural Assistance Grant Program, is repealed June 30, 2021.

(c) Subsection 63A-3-111(1)(a)(ii), referencing Subsection 63N-12-508(3), is repealed June 30, 2021.

(d) Subsection 63A-3-111(2) is amended to read, on June 30, 2021:

"(2) Upon receiving the reports required by Sections 63N-15-202, 63N-15-302, and 63N-15-603, the director shall present to the legislative committee the COVID-19 economic recovery programs."

[(3)] (3) Title 63C, Chapter 19, Higher Education Strategic Planning Commission is repealed July 1, 2021.

[(4)] (4) Title 63C, Chapter 22, Digital Wellness, Citizenship, and Safe Technology Commission is repealed July 1, 2023.

[(5)] (5) The following sections regarding the World War II Memorial Commission are repealed on July 1, 2022:

(a) Section 63G-1-801;

(b) Section 63G-1-802;

(c) Section 63G-1-803; and

(d) Section 63G-1-804.

[(6)] (6) Subsections 63G-6a-802(1)(d) and 63G-6a-802(3)(b)(iii), regarding a procurement relating to a vice presidential debate, are repealed January 1, 2021.

[(7)] (7) In relation to the State Fair Park Committee, on January 1, 2021:

[(a)] (a) Section 63H-6-104.5 is repealed; and

[(b)] (b) Subsections 63H-6-104(8) and (9) are repealed.

[(8)] (8) Section 63H-7a-303 is repealed July 1, 2024.

[(9)] (9) Subsection 63J-1-206(3)(c), relating to coronavirus, is repealed July 1, 2021.
493 [(†Θ)] (7) In relation to the Employability to Careers Program Board, on July 1, 2022:
494 (a) Subsection 63J-1-602.1(57) is repealed;
495 (b) Subsection 63J-4-301(1)(h), related to the review of data and metrics, is repealed; and
496 (c) Title 63J, Chapter 4, Part 7, Employability to Careers Program, is repealed.
497 [(†Ι)] (8) Title 63M, Chapter 4, Part 8, Voluntary Home Energy Information Pilot Program Act, is repealed January 1, 2022.
498 [(†Ζ)] (9) Sections 63M-7-213 and 63M-7-213.5 are repealed [on] January 1, 2023.
499 [(†Η)] (10) Subsection 63N-12-508(3) is repealed December 31, 2021.
500 [(†Θ)] (11) Title 63N, Chapter 13, Part 3, Facilitating Public-Private Partnerships Act, is repealed January 1, 2024.
502 Section 5. Section 63N-15-103 is amended to read:
504 (1) The office shall include in the office's 2020 and 2021 annual reports to the governor and the Legislature under Section 63N-1-301 the following information about each of the grant programs established under this chapter:
505 (a) the number of applications submitted under the grant program;
506 (b) the number of grants awarded under the grant program;
507 (c) the aggregate amount of grant funds awarded under the grant program; and
508 (d) any other information the office considers relevant to evaluating the success of the grant program.
509 (2) After providing notice to members of the legislative committee, the executive director, in cooperation with the director of the Division of Finance, may move funds among the following programs to make efficient and full use of CARES Act and state funding:
510 (a) the COVID-19 Commercial Rental and Mortgage Assistance Program described in Chapter 14, COVID-19 Commercial Rental and Mortgage Assistance Program;
511 (b) any of the programs described in this chapter;
512 (c) after consultation with the commissioner of the Department of Agriculture and Food, the COVID-19 Agricultural Operations Grant Program described in Section 4-18-106.1;
(d) after consultation with the executive director of the Department of Heritage and Arts, the COVID-19 Cultural Assistance Grant Program described in Title 9, Chapter 6, Part 9, COVID-19 Cultural Assistance Grant Program; and

(e) after consultation with the executive director of the Department of Workforce Services, COVID-19 Residential Housing Assistance described in Title 35A, Chapter 8, Part 23, COVID-19 Residential Housing Assistance.

Section 6. Section 63N-15-601 is enacted to read:

Part 6. Small Business Paycheck Protection Program Recipient Relief Grant Program


As used in this part:

(1) "Paycheck protection program loan" means:
(a) a loan forgiven in accordance with 15 U.S.C. 636(a)(36) that is subject to Utah income tax; or
(b) a similar paycheck protection loan that is:
(i) authorized by the federal government;
(ii) provided in response to COVID-19;
(iii) forgiven if the business meets the expenditure requirements; and
(iv) exempt from federal income tax but subject to Utah income tax.

(2) "PPP recipient" means a business, regardless of number of locations in the state, that:
(a) (i) was in operation and generated income in the state during tax years 2019 and 2020;
(ii) remains in operation in the state as of May 5, 2021; and
(iii) (A) is properly registered with the Division of Corporations and Commercial Code;
(B) is a Tribal business concern described in 15 U.S.C. Sec. 657a(b)(2)(C); or
(C) is an individual who operates under a sole proprietorship, operates as an independent contractor, or is self-employed;
(b) has received one or more paycheck protection program loans in a total amount of $150,000 or less;
(c) has a revenue loss of 25% or more; and

(d) has Utah taxable income for the 2020 tax year of $100,000 or less, as calculated by:

(i) including any paycheck protection program loan and all other taxable income; or

(ii) excluding any paycheck protection program loan.

(3) "Revenue loss" means the amount of the PPP recipient's loss in this state for the
2020 tax year calculated by subtracting the 2020 tax year revenue from the 2019 tax year
revenue.

(4) "Utah taxable income" means:

(a) for a PPP recipient that files a tax return under Title 59, Chapter 7, Corporate
Franchise and Income Taxes, the same as that term is defined in Section 59-7-101; or

(b) for a PPP recipient that files a tax return under Title 59, Chapter 10, Individual
Income Tax Act, the same as the term "taxable income" is defined in Section 59-10-103.

Section 7. Section 63N-15-602 is enacted to read:

63N-15-602. Creation of Small Business Paycheck Protection Program Recipient
Relief Grant Program.

(1) There is established a grant program known as the Small Business Paycheck
Protection Program Recipient Relief Grant Program.

(2) (a) Subject to Subsection (2)(b), the office may award a PPP recipient that applies
under this part a grant equal to the amount of the PPP recipient's tax liability.

(b) (i) The office may not award a PPP recipient more than $5,000 in grant funds.

(ii) The office may not award more than $15,000,000 in grant funds to all applicants.

(3) (a) The office shall establish processes and procedures for a PPP recipient to
participate in the grant program.

(b) As a condition of receiving grant funds, the office may require a PPP recipient to
provide evidence of income during the 2019 and 2020 tax years, income tax liability during the
2020 tax year, and the amount of any paycheck protection program loan received.

Section 8. Section 63N-15-603 is enacted to read:


(1) As soon as is practicable, but on or before August 1, 2021, the office shall:

(a) establish an application process by which a PPP recipient may apply for a grant
under this part, which application shall include:
(i) a declaration, signed under penalty of perjury, that the application is complete, true,
and correct; and
(ii) an acknowledgment that the PPP recipient is subject to audit; and
(b) establish a method for the office to determine which applicants are eligible to
receive a grant;
(c) establish a formula to award grant funds; and
(d) report the information described in Subsections (1)(a) through (c) to the director of
the Division of Finance.

(2) The office shall:
(a) participate in the presentation that the director of the Division of Finance provides
to the legislative committee under Section 63A-3-111; and
(b) consider any recommendations for adjustments to the grant program from the
legislative committee.

(3) Subject to appropriation, beginning on or before August 1, 2021, the office shall:
(a) collect applications for grant funds from PPP recipients;
(b) determine which applicants meet the eligibility requirements for receiving a grant;
(c) award the grant funds after an initial application period that ends on or before
September 1, 2021; and
(d) if funds remain after the initial application period, continue to award grants on a
rolling basis until the earlier of funds being exhausted or December 31, 2021.

(4) (a) The office may audit a PPP recipient to ensure that the PPP recipient
experienced the revenue loss reported in the application.
(b) The office may recapture grant funds if, after audit, the office determines that a PPP
recipient made representations to the office about the PPP recipient's revenue loss that are not
complete, true, and correct.
(c) (i) A PPP recipient that is subject to recapture shall pay to the Division of Finance a
penalty equal to the amount of the grant recaptured multiplied by the applicable income tax rate
in Section 59-7-104 or 59-10-104.
(ii) The Division of Finance shall deposit the penalty into the Education Fund.
(5) The office shall encourage any PPP recipient that receives grant funds to commit to
following best practices to protect the health and safety of the PPP recipient's employees and
customers.

(6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the office may make rules to administer the grant program.

(7) As part of any advertisement of the Small Business Paycheck Protection Program Recipient Relief Grant Program, the office:

(a) shall encourage economically disadvantaged PPP recipients, including minority-owned and woman-owned business entities, that meet the eligibility requirements to apply for grant funds; and

(b) may feature any PPP recipient that:

(i) shows evidence of a commitment to following best practices to protect the health and safety of the PPP recipient's employees and customers; and

(ii) consents to being featured.