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**TAX MODIFICATIONS**  
**2024 GENERAL SESSION**  
**STATE OF UTAH**  
**Chief Sponsor: Michael K. McKell**  
**House Sponsor: Carl R. Albrecht**

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**LONG TITLE**

**General Description:**

This bill addresses taxation related to radioactive waste facilities.

**Highlighted Provisions:**

This bill:

- creates a new tax rate for certain uncontainerized, unprocessed class A waste;
- includes certain radioactive waste facility tax revenue in the calculation of a taxpayer's high cost infrastructure development tax credit; and
- makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

**Utah Code Sections Affected:**

AMENDS:

**59-24-103.5**, as last amended by Laws of Utah 2005, Chapter 10

**79-6-602**, as last amended by Laws of Utah 2023, Chapter 473

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

Section 1. Section **59-24-103.5** is amended to read:

**59-24-103.5 . Radioactive waste disposal, processing, and recycling facility tax.**

- (1) On and after July 1, 2003, there is imposed a tax on a radioactive waste facility, or a processing or recycling facility, as provided in this chapter.
- (2) The tax is equal to the sum of the following amounts:
  - (a) 12% of the gross receipts of a radioactive waste facility derived from the disposal of containerized class A waste;

- 29 (b) 10% of the gross receipts of a radioactive waste facility derived from the disposal of  
30 processed class A waste;
- 31 (c) except as provided in Subsection (2)(e), 5% of the gross receipts of a radioactive  
32 waste facility derived from the disposal of uncontainerized, unprocessed class A  
33 waste from a governmental entity or an agent of a governmental entity:
- 34 (i) pursuant to a contract entered into on or after April 30, 2001;
- 35 (ii) pursuant to a contract substantially modified on or after April 30, 2001;
- 36 (iii) pursuant to a contract renewed or extended on or after April 30, 2001; or
- 37 (iv) not pursuant to a contract;
- 38 (d) except as provided in Subsection (2)(e), 5% of the gross receipts of a radioactive  
39 waste facility derived from the disposal of uncontainerized, unprocessed class A  
40 waste received by the facility from an entity other than a governmental entity or an  
41 agent of a governmental entity;
- 42 (e) .5% of the gross receipts of a radioactive waste facility derived from the disposal of  
43 uncontainerized, unprocessed class A waste received by the facility if the  
44 uncontainerized, unprocessed class A waste does not exceed 10% of the radioactive  
45 concentration limit for class A waste as defined in 10 C.F.R. Sec. 61.55;
- 46 [(e)] (f) 5% of the gross receipts of a radioactive waste facility derived from the disposal  
47 of mixed waste, other than the mixed waste described in Subsection [(2)(f)] (2)(g),  
48 received from:
- 49 (i) an entity other than a governmental entity or an agent of a governmental entity; or
- 50 (ii) a governmental entity or an agent of a governmental entity:
- 51 (A) pursuant to a contract entered into on or after April 30, 2005;
- 52 (B) pursuant to a contract substantially modified on or after April 30, 2005;
- 53 (C) pursuant to a contract renewed or extended on or after April 30, 2005; or
- 54 (D) not pursuant to a contract;
- 55 [(f)] (g) 10% of the gross receipts of a radioactive waste facility derived from the  
56 disposal of mixed waste:
- 57 (i) (A) received from an entity other than a governmental entity or an agent of a  
58 governmental entity; or
- 59 (B) received from a governmental entity or an agent of a governmental entity:
- 60 (I) pursuant to a contract entered into on or after April 30, 2005;
- 61 (II) pursuant to a contract substantially modified on or after April 30, 2005;
- 62 (III) pursuant to a contract renewed or extended on or after April 30, 2005; or

- 63 (IV) not pursuant to a contract; and
- 64 (ii) that contains a higher radionuclide concentration level than the mixed waste
- 65 received by any radioactive waste facility in the state [~~prior to~~] before April 1,
- 66 2004;
- 67 [~~(g)~~] (h) 10 cents per cubic foot of alternate feed material received at a radioactive waste
- 68 facility for disposal or reprocessing; and
- 69 [~~(h)~~] (i) 10 cents per cubic foot of byproduct material received at a radioactive waste
- 70 facility for disposal.
- 71 (3) For purposes of the tax imposed by this section, a fraction of a cubic foot is considered
- 72 to be a full cubic foot.
- 73 (4) Except as provided in Subsections [~~(2)(e) and (2)(f)~~] (2)(f) and (g), the tax imposed by
- 74 this section does not apply to radioactive waste containing material classified as
- 75 hazardous waste under 40 C.F.R. Part 261.

76 Section 2. Section **79-6-602** is amended to read:

77 **79-6-602 . Definitions.**

78 As used in this part:

- 79 (1) "Applicant" means a person that conducts business in the state and that applies for a tax
- 80 credit under this part.
- 81 (2) "Energy delivery project" means a project that is designed to:
- 82 (a) increase the capacity for the delivery of energy to a user of energy inside or outside
- 83 the state; or
- 84 (b) increase the capability of an existing energy delivery system or related facility to
- 85 deliver energy to a user of energy inside or outside the state.
- 86 (3) "Fuel standard compliance project" means a project designed to retrofit a fuel refinery in
- 87 order to make the refinery capable of producing fuel that complies with the United
- 88 States Environmental Protection Agency's Tier 3 gasoline sulfur standard described in
- 89 40 C.F.R. Sec. 79.54.
- 90 (4) "High cost infrastructure project" means a project, including an energy delivery project
- 91 or a fuel standard compliance project:
- 92 (a) (i) that expands or creates new industrial, mining, manufacturing, or agriculture
- 93 activity in the state, not including a retail business;
- 94 (ii) that involves new investment of at least \$50,000,000 in an existing industrial,
- 95 mining, manufacturing, or agriculture entity, by the entity; or
- 96 (iii) for the construction of a plant or other facility for the storage or production of

- 97 fuel used for transportation, electricity generation, or industrial use;
- 98 (b) that requires or is directly facilitated by infrastructure construction; and
- 99 (c) for which the cost of infrastructure construction to the entity creating the project is
- 100 greater than:
- 101 (i) 10% of the total cost of the project; or
- 102 (ii) \$10,000,000.
- 103 (5) "Infrastructure" means:
- 104 (a) an energy delivery project;
- 105 (b) a railroad as defined in Section 54-2-1;
- 106 (c) a fuel standard compliance project;
- 107 (d) a road improvement project;
- 108 (e) a water self-supply project;
- 109 (f) a water removal system project;
- 110 (g) a solution-mined subsurface salt cavern;
- 111 (h) a project that is designed to:
- 112 (i) increase the capacity for water delivery to a water user in the state; or
- 113 (ii) increase the capability of an existing water delivery system or related facility to
- 114 deliver water to a water user in the state; or
- 115 (i) an underground mine infrastructure project.
- 116 (6) (a) "Infrastructure cost-burdened entity" means an applicant that enters into an
- 117 agreement with the office that qualifies the applicant to receive a tax credit as
- 118 provided in this part.
- 119 (b) "Infrastructure cost-burdened entity" includes a pass-through entity taxpayer, as
- 120 defined in Section 59-10-1402, of a person described in Subsection (6)(a).
- 121 (7) "Infrastructure-related revenue" means an amount of tax revenue, for an entity creating
- 122 a high cost infrastructure project, in a taxable year, that is directly attributable to a high
- 123 cost infrastructure project, under:
- 124 (a) Subsection 59-24-103.5(2)(e);
- 125 ~~(b)~~ Title 59, Chapter 5, Part 1, Oil and Gas Severance Tax;
- 126 ~~(b)~~ ~~(c)~~ Title 59, Chapter 5, Part 2, Mining Severance Tax;
- 127 ~~(e)~~ ~~(d)~~ Title 59, Chapter 7, Corporate Franchise and Income Taxes;
- 128 ~~(d)~~ ~~(e)~~ Title 59, Chapter 10, Individual Income Tax Act; and
- 129 ~~(e)~~ ~~(f)~~ Title 59, Chapter 12, Sales and Use Tax Act.
- 130 (8) "Office" means the Office of Energy Development created in Section 79-6-401.

- 131 (9) "Tax credit" means a tax credit under Section 59-7-619 or 59-10-1034.
- 132 (10) "Tax credit certificate" means a certificate issued by the office to an infrastructure  
133 cost-burdened entity that:
- 134 (a) lists the name of the infrastructure cost-burdened entity;
- 135 (b) lists the infrastructure cost-burdened entity's taxpayer identification number;
- 136 (c) lists, for a taxable year, the amount of the tax credit authorized for the infrastructure  
137 cost-burdened entity under this part; and
- 138 (d) includes other information as determined by the office.
- 139 (11) (a) "Underground mine infrastructure project" means a project that:
- 140 (i) is designed to create permanent underground infrastructure to facilitate  
141 underground mining operations; and
- 142 (ii) services multiple levels or areas of an underground mine or multiple underground  
143 mines.
- 144 (b) "Underground mine infrastructure project" includes:
- 145 (i) an underground access or a haulage road, entry, ramp, or decline;
- 146 (ii) a vertical or incline mine shaft;
- 147 (iii) a ventilation shaft or an air course; or
- 148 (iv) a conveyor or a truck haulageway.

149 **Section 3. Effective date.**

150 This bill takes effect on July 1, 2024.