

2007 Legislation Implementation

Senate Bills

2007 SB 5	Tax Penalty Amendments (§59-1-401)
Effective Date	April 30, 2007
Summary	This bill amends the penalty provisions for a failure to file a tax return to exempt the return from penalty if no tax is due on the tax return; and amends the mailing requirements for the notice of a criminal penalty to allow certified, instead of registered, mail; both of these changes reflect current Tax Commission practice.
2007 SB 74	Penalties Relating to Taxes, Fees, or Charges (§§59-1-401; 59-7-507; 59-10-516)
Effective Date	April 30, 2007
Summary	This bill modifies penalty provisions that apply to income, fiduciary, sales, corporate, and withholding taxes with respect to the failure to file a return, or pay a tax, fee, or charge due; effective the later of the date the GenTax ¹ sales tax phase becomes effective or May 1, 2008 (for sales and income), and the later of the date the GenTax corporate and withholding phase becomes effective, or May 4, 2009 (for corporate and withholding), the penalties for failure to file, failure to pay, and failure to file a timely extension return are the greater of \$20 or: 2% of the unpaid liability if less than 5 days late, 5% of the unpaid liability if between 5 and 15 days late, and 10% of the unpaid liability if more than 15 days late; enacts uncodified language requiring the Utah Tax Review Commission to conduct a study on penalties relating to taxes, fees, or charges. (See Tax Commission Publication 58, Utah Interest and Penalties)
2007 SB 223	Tax Amendments (§§59-7-612; 59-7-614)
Effective Date	April 30, 2007
Summary	This bill: <ul style="list-style-type: none">retrospective to 1/1/07, expands the nonrefundable renewable energy tax credit to include some geothermal sources, and removes language reimbursing the Uniform School Fund for nonrefundable renewable energy tax credits taken;authorizes refundable renewable energy tax credits as follows: (1) if an energy system placed in service on or after 1/1/07 does not use wind, geothermal electricity, or biomass equipment capable of producing at least 660 kilowatts of electricity: 10% of the installation costs of the energy system up to a maximum of \$50,000 per unit; and (2) if an energy system placed in service on or after 1/1/07 uses wind, geothermal electricity, or biomass equipment capable of producing 660 or more kilowatts of electricity, a credit of 0.35 cents for each kilowatt hour of electricity produced for the first 4 years the energy system is in service;

¹GenTax is a new tax administration software system the Tax Commission is transitioning to.

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- effective 1/1/08, modifies tax credits for research activities in the state by: (1) increasing the current credit from 6% to 7%; and (2) allowing a taxpayer to claim an additional nonrefundable tax credit equal to 5% of a taxpayer's qualified research expenses for the current taxable year (this 5% credit may not be carried forward).