

# 2010 Legislation—Corporate Tax

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## House Bills

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### **HB 24      Economic Development Incentives Act**

**Amends:**      63M-1-2403 and 63M-1-2405

**Effective:**    5/11/10

Modifies what an applicant for tax credit must provide to Governor’s Office of Economic Development (GOED).

### **HB 49      Amendments Related to a Tax, Fee, or Charge Administered by the State Tax Commission**

**Amends:**      59-1-401, 59-1-402, 59-1-1402

**Effective:**    5/11/10

1. Provides that refund interest is allowed after a 45-day period (instead of 90 days) for corporate, individual income, and withholding tax if a return or amended return is filed electronically.
2. Refund interest is allowed after a 90-day period if a return or amended return is not filed electronically.

### **HB 70      Retrofit Compressed Natural Gas Vehicles Amendments**

**Amends:**      19-2-105.3, 59-7-605, and 59-10-1009

**Enacts:**      19-1-406

**Effective:**    5/11/10

Prohibits a retrofit compressed natural gas vehicle from receiving a clean fuel vehicle tax credit, unless it meets certain requirements, including certification by Federal Environmental Agency.

## Senate Bills

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### **SB 23**      **Corporate Franchise and Income Tax Amendments**

**Amends:**      59-7-101, 59-7-105, and 59-7-106

**Effective:**    1/1/11

1. Modifies the definition of “foreign operating company” to require the company have \$2 million of property located outside the United States and \$1 million of payroll located outside the United States.
2. Provides that the deduction for 50% of the adjusted income of a foreign operating company may not include investment income of the foreign operating company or intercompany transactions between members of a unitary group.

### **SB 100**      **Income Tax Credit or Refund Amendments**

**Amends:**      59-7-522 and 59-10-529

**Effective:**    5/11/10

Codifies Tax Commission practice by repealing language that would limit the amount of a corporate or individual income tax refund to the amount of tax paid during the previous three years.

### **SB 134**      **Partnership Tax Return Filing Deadlines**

**Amends:**      59-10-516

**Effective:**    Retrospective to 1/1/10

1. Modifies the extension filing deadline for a partnership to 5 months after the original due date.
2. Retrospective operation for a taxable year beginning on or after January 1, 2010.

## **SB 165      Allocation and Apportionment of Income and Deduction of a Net Loss**

**Amends:**      59-1-801, 59-7-110, 59-7-302, 59-7-311

**Effective:**    **Retroactive to 1/1/10**

1. Amends Multistate Tax Compact governing allocation and apportionment of income; addresses apportionment of business income to the state.
2. Addresses time period during which a taxpayer's determination to use a certain formula to apportion business income to the state is in effect.
3. Addresses amount of net loss a corporation that is acquired by a unitary group may deduct.

## **SB 198      Economic Development Incentive Amendments**

**Amends:**      59-7-614.2, 59-10-1107, 63M-1-2403, 63M-1-2404, 63M-1-2405, 63M-1-2407, 63M-1-2408

**Enacts:**      63M-1-2409

**Effective:**    **Retroactive to 1/1/10**

Expands the refundable economic development corp. tax credit (administered by GOED) to include a local government entity or community development and renewal agency.

## **SB 242      Economic Development Incentives/Alternative Energy**

**Amends:**      63M-1-2801, 63M-1-2802, 63M-1-2803, 63M-1-2804, 63M-1-2805, 63M-1-2806

**Effective:**    **5/11/10**

1. Changes the name of the Renewable Energy Development Act to the Alternative Energy Development Act.
2. Requires the Governor's Office of Economic Development to consider economic modeling, including costs and benefits of the alternative energy project to state and local governments, in determining the tax credit amount.

