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HOUSE BILLS

HB 1 PUBLIC EDUCATION BASE BUDGET AMENDMENTS – Rep. Bradley G. Last (Effective 7/1/2014) This bill requires each school district to impose a minimum basic tax rate that generates \$296,709,700 in revenues statewide and establishes a preliminary tax rate estimate for 2014-15 at .001477.

HB 31 POLLUTION CONTROL AMENDMENTS – Rep. Ryan D. Wilcox (Effective 5/13/2014) This bill expands the sales tax exemption for pollution control facilities to include a consumable chemical, cleaning material, or supply that is reusable; no longer requires DEQ certification for repairs or replacements to qualify for the sales tax exemption.

HB 59 NATIONAL GUARD PROGRAM AMENDMENTS – Rep. Val L. Peterson (Effective 7/1/2014) This bill authorizes the establishment of a Utah National Guard Morale, Welfare, and Recreation Program; and provides a sales tax exemption for sales of goods and services at a morale, welfare, and recreation facility and made pursuant to this program.

HB 62 RECREATIONAL VEHICLE TITLE AMENDMENTS – Rep. Don L. Ipson (Effective 1/1/2015) This bill amends the definition of vehicle to include a camper; provides that camper registrations and decals shall be provided by the Tax Commission at no charge; requires a certificate of title for a camper identified by the manufacturer as a 2015 model year or newer; and exempts a camper identified by the manufacturer as a 2014 model year or older from the requirement to obtain a certificate of title.

HB 74 ENERGY EFFICIENT VEHICLE TAX CREDITS – Rep. V. Lowry Snow (Effective 1/1/2015) This bill modifies the amount of income and corporate tax credits that may be claimed for the purchase or lease of energy efficient vehicles by repealing the credits for hybrid vehicles and adding a credit for qualifying electric vehicles and qualifying plug-in hybrid vehicles that are registered in the state; provides that for the 2015 year, the credit for the original purchase of a qualifying electric vehicle is the lesser of \$1,500 or 35% of the purchase price of the vehicle and the credit for the original purchase of a qualifying plug-in hybrid vehicle is \$1,000; modifies a credit for the original purchase of a new vehicle fueled by natural gas or propane and registered in the state to the lesser of \$1,500 or 35% of the purchase price of the vehicle; modifies the credit for conversion equipment to a maximum of \$1,500 per motor vehicle; provides that the air quality board shall certify the amount of the tax credit for which a qualifying vehicle qualifies.

HB 93 PROPERTY TAX ASSESSMENT AMENDMENTS – Rep. Mark A. Wheatley (Effective 1/1/2015) This bill defines "diminished productive value"; and requires a county assessor to consider diminished productive value in determining the fair market value of property.

HB 123 PROPERTY TAX LIEN AMENDMENTS – Rep. Mark A. Wheatley (Effective 5/3/14) This bill prohibits a county from reassigning a lien created under Title 59, Chapter 2, Part 13 on real property.

HB 138 UNDERGROUND PETROLEUM STORAGE TANK AMENDMENTS – Rep. Steve Eliason (Effective 1/1/15) This bill authorizes the Tax Commission to raise the environmental assurance fee from ½ cent per gallon to 13/20 cent per gallon on the first sale or use of petroleum products in the state; by January 1, 2015, requires

the Division of Environmental Response and Remediation to create a risk-based rebate system for environmental assurance fees paid by program participants which will be administered through a refund from the Tax Commission.

HB 140 TAX CREDIT AMENDMENTS – Rep. Brian S. King (Retrospective to 5/13/14) This bill enacts nonrefundable corporate and individual income tax credits for tax years beginning on or after January 1, 2015 for the employers of persons who are homeless; provides that the determination of whether an employer qualifies for the credit and the amount of the credit shall be determined by the Department of Workforce Services; provides that, for purposes of determining whether a corporate credit shall be removed from the corporate tax return for lack of use, amounts claimed on the gross receipts tax return shall be included in that calculation; and enacts the Tax Credit for Employment of Persons Who Are Homeless Act, including: defining terms; addressing the procedures and requirements for the Department of Workforce Services to authorize, and a person to claim, a tax credit.

HB 155 UTAH COMMUNICATION AGENCY NETWORK AND UTAH 911 – Rep. Brad L. Dee (Effective 7/1/2014) This bill merges the Utah Communications Agency Network, an independent state agency, and the Utah 911 Committee into an independent state agency named the Utah Communications Authority; redirects the emergency services telephone charge from the University of Utah Poison Control Center to the Computer Aided Dispatch Restricted Account and decreases that charge from 7 to 6 cents per month on lines subject to the charge; increases the 911 service charge that funds unified statewide 911 emergency service from 8 to 9 cents per month on lines subject to the charge; and changes the distribution of the prepaid wireless telecommunications charge.

HB 199 PARK MODEL RECREATIONAL VEHICLES – Rep. Jim Nielson (Effective 1/1/2015) This bill defines a park model recreational vehicle and provides that, for purposes of the motor vehicle code, a vehicle includes a park model recreational vehicle; requires a certificate of title for a park model recreational vehicle identified by the manufacturer as a 2015 model year or newer; requires the park model recreational vehicle to be registered and pay a registration fee based on weight; exempts the park model recreational vehicle from the license plate requirement but does require a decal to be placed on the park model recreational vehicle; and provides that the park model recreational vehicle is subject to the same age-based fee as a travel trailer.

HB 209 EXTENSION OF SALES AND USE TAX EXEMPTION – Rep. Ryan D. Wilcox (Effective 5/13/2014) This bill extends the sales and use tax exemption related to a steel mill that would otherwise have expired on June 30, 2014.

HB 214 SPECIAL GROUP LICENSE PLATE AMENDMENTS – Rep. Paul Ray (Effective 5/13/2014) This bill creates a National Professional Men's Basketball Team Support of Women and Children Issues support special group license plate for organizations that create or support programs that affect women and children through an organization affiliated with a national professional men's basketball organization; requires applicants for a new plate to make a \$25 annual donation to the National Professional Men's Basketball Team Support of Women and Children Issues Restricted Account; creates the National Professional Men's Basketball Team Support of Women and Children Issues Restricted Account; requires the Department of Human Services to distribute funds in the National Professional Men's Basketball Team Support of Women and Children Issues

Restricted Account to organizations that create or support programs that affect women and children through an organization affiliated with a professional men's basketball organization.

HB 226 SEVERANCE TAX AMENDMENTS – Rep. Jim Nielson (Effective 5/13/2014) This bill provides that after required deposits to the Uintah Basin Revitalization Fund and Navajo Revitalization Fund, the Constitutionally specified percentage of severance tax revenues shall be deposited into the permanent state trust fund instead of the General Fund beginning July 1, 2016.

HB 273 PROPERTY TAX RESIDENTIAL EXEMPTION AMENDMENTS – Rep. V. Lowry Snow (Effective 1/1/2015) This bill defines “part-year residential property” as property that becomes residential property after January 1, and provides the following process for part-year residential property to receive the primary residential exemption: (1) property must be used as residential property for at least 183 consecutive days during the calendar year for which the exemption is claimed, (2) the owner must apply to the county board of equalization in all cases, (3) the application must be filed on or before November 30 of the year for which the exemption is claimed, and (4) if the application is filed on or after May 1 of the year for which the exemption is claimed, the county board of equalization may require an application fee of no more than \$50.

HB 356 NEW CONVENTION FACILITY DEVELOPMENT INITIATIVE – Rep. Brad R. Wilson (Effective 7/1/2014 and 1/1/2015) This bill enacts the New Convention Hotel Development Incentive Act; establishes a refundable corporate and individual income tax credit beginning January 1, 2015 for the owner of a new convention hotel or a local government entity in the amount of state and local sales tax revenue generated from sales related to the construction of a new convention hotel and from sales on hotel property, and other local taxes; establishes requirements and criteria for qualifying for a tax credit; establishes a process for applying for and the issuance of a tax credit certificate, including an agreement between the Governor's Office of Economic Development and the hotel owner or local government in which the hotel is located; authorizes a community development and renewal agency of a host local government to receive incremental property tax revenue generated from hotel property during the eligibility period; limits how money derived from a tax credit and incremental property tax revenue may be spent; establishes an independent review committee to review tax credit applications; grants the Governor's Office of Economic Development rulemaking authority to carry out its responsibilities under and to implement provisions of this bill; beginning the second fiscal year after the fiscal year during which the Division of Finance receives notice that construction on a qualified hotel has begun, requires the Division of Finance to, for two consecutive fiscal years, annually deposit \$1.9 million of sales tax revenues into the Hotel Impact Mitigation Fund; requires a county in which a new convention hotel is located to make an annual payment into the Stay Another Day and Bounce Back Account.

SENATE BILLS

SB 19 APPOINTMENT AND QUALIFICATION OF MEMBERS OF THE STATE TAX COMMISSION – **Sen. Howard Stephenson** (Effective 5/13/2014) This bill repeals a provision from statute that remains in the Utah Constitution requiring that no more than two members of the State Tax Commission may be from the same political party; amends provisions related to the appointment and qualification of members of the State Tax Commission.

SB 47 EMERGENCY MANAGEMENT ACT AMENDMENTS – **Sen. Wayne Harper** (Multiple effective dates) This bill defines an out-of-state business and provides that an out-of-state business that enters the state during a declared disaster or emergency to conduct work related to the disaster or emergency is exempt from licensing or registration requirements; provides: (1) retrospective to January 1, 2014, an out-of-state business is exempt from corporate tax and from withholding requirements for its employees for income earned during a disaster period and for the purpose of responding to the disaster, (2) retrospective to January 1, 2014, an out-of-state employee is exempt from individual income tax on income earned or passed through from an out-of-state business during a disaster period and for the purpose of responding to the disaster, (3) effective July 1, 2014, a sales tax exemption for property stored, used, or consumed in the state that is temporarily brought into the state during a period of disaster by an out-of-state business for disaster-related work and (4) effective May 13, 2014, property brought into the state temporarily is not subject to property tax; provides that any out-of-state business or out-of-state employee that remains in the state after the disaster period is subject to the state's normal standards for establishing presence or residency, or doing business in the state; and requires any out-of-state business that enters the state for disaster- or emergency-related work to provide the Division of Occupational and Professional Licensing a statement about the purpose of its business in the state, upon request.

SB 61 REVISIONS TO PROPERTY TAX – **Sen. Deidre M. Henderson** (Effective 5/14/2014) This bill modifies the procedures and requirements for a calendar year entity imposing a property tax levy that exceeds the certified tax rate and, effective January 1, 2015, amends the timing for a public hearing held for imposing a judgment levy.

SB 65 SALES AND USE TAX EXEMPTION MODIFICATIONS – **Sen. Howard A. Stephenson** (Effective 7/1/2014) This bill modifies the definition of authorized carrier for purposes of a sales tax exemption (to recognize that the U.S. Surface Transportation Board no longer issues certificates for locomotives and rolling stock) to mean a person who uses locomotives or rolling stock in more than one state; provides that repair labor on exempt 3-year life equipment is not taxable even if the particular parts used in the repair have less than a 3-year life; clarifies the machinery and equipment that qualify for the mining sales tax exemption.

SB 155 APPORTIONMENT OF INCOME AMENDMENTS – **Sen. Curtis Bramble** (Retrospective to 1/1/2014) This bill amends the test for determining whether a taxpayer is a sales factor weighted taxpayer to not include a taxpayer's economic activities classified in a NAICS code within NAICS Industry Group 2212, Natural Gas Distribution.

SB 176 LOCAL FUNDING FOR RURAL HEALTH CARE AMENDMENTS – Sen. Ralph Okerlund (Effective 5/13/2014) This bill expands the definition of a rural county nursing care facility, for purposes of the rural county health care facilities tax, to include a nursing care facility owned by a special service district that is created for the purpose of operating the nursing care facility within a county of the third, fourth, fifth, or sixth class and located outside of a standard metropolitan statistical area.

SB 180 PROPERTY TAX MODIFICATIONS – Sen. Wayne Harper (Retrospective to 1/1/2014) This bill amends the tax rate for the multicounty assessing and collecting levy; amends the allocation of revenue collected from the multicounty assessing and collecting levy; provides that a county shall increase its county additional property tax rate by an amount sufficient to offset the decrease to the multicounty assessing and collecting levy; provides for the allocation of money in the Property Tax Valuation Agency Fund; consolidates additional county property tax administration levies; and amends funding of the Multicounty Appraisal Trust.

SB 188 LOCAL OPTION SALES TAX AMENDMENTS – Sen. Deidre M. Henderson (Effective 7/1/2014) This bill provides that a county, city, or town option sales and use tax for airports, highways, and systems for public transit may be used for additional purposes; provides that uses of a county, city, or town option sales and use tax for airports, highways, and systems for public transit shall be recommended by a metropolitan planning organization or council of governments; provides that a county, city, or town that has imposed this tax at the rate of .25% shall deposit the revenue collected from a tax rate of .05% into the Local Transportation Corridor Preservation Fund unless that tax had been imposed at .25% on July 1, 2010 or is imposed at that rate for a five-year continuous period beginning after July 1, 2010.

SB 206 TAX, FEE, OR CHARGE OFFENSE AND PENALTY AMENDMENTS – Sen. Curtis S. Bramble (Effective 5/13/2014) This bill amends the intent provisions of a third degree felony offense from “with intent to evade” to “knowingly and intentionally, and without a reasonable good faith basis” for purposes of a tax, fee, or charge administered by the State Tax Commission.

SB 207 CORPORATE FRANCHISE AND INCOME TAX AMENDMENTS – Sen. Curtis S. Bramble (Retrospective to 1/1/2014) This bill enacts a subtraction from unadjusted income for an increase in income for federal income tax purposes due to claiming a federal qualified tax credit bond credit or a federal qualified zone academy bond.

SB 214 MULTISTATE TAX COMPACT AMENDMENTS – Sen. Curtis S. Bramble (Effective 5/13/2014) This bill reinstates the Tax Commission’s membership in the Multistate Tax Compact that was set to expire on June 30, 2014.

SB 222 AUTOMATIC LICENSE PLATE READER SYSTEM AMENDMENTS – Sen. Todd Weiler (Effective 5/13/2014) This bill provides that the restrictions on the use of an automatic license plate reader system only apply to a governmental entity; provides that a governmental entity may obtain, receive, or use privately held captured plate data only pursuant to a warrant or a court order, and if the private automatic license plate reader system retains captured plate data for 30 days or fewer.

SB 224 RENEWABLE ENERGY TAX CREDIT AMENDMENTS – Sen. Ralph Okerlund (Effective 1/1/2015) This bill enacts a new corporate refundable tax credit for a commercial energy system located in the state that is completed and placed in service on or after January 1, 2015 and capable of producing a total of 660 or more kilowatts of electricity; the credit is 0.35 cents per kilowatt hours of electricity produced and either used or sold during the taxable year.

SB 231 AGRICULTURAL AMENDMENTS – Sen. David P. Hinkins (Effective 5/13/2014) This bill states that for purposes of the property tax exemption, "farm machinery and equipment" includes balers and cubers.

SB 233 ECONOMIC DEVELOPMENT AND THE UTAH SMALL BUSINESS JOBS ACT – Sen. John L. Valentine (Effective 9/2/2014) This bill provides that an insurer is exempt from corporate tax if the insurer is subject to insurance premium taxes; establishes a nonrefundable tax credit against insurance premium tax liability as determined by the Governor's Office of Economic Development beginning January 1, 2017; provides a sunset date; enacts the Utah Small Business Jobs Act, including: defining terms; providing for the certification of qualified equity investments; granting rulemaking authority to the office; allowing for recapture of the tax credit after a time to cure; requiring under certain circumstances a refundable performance deposit; creating the Small Business Jobs Performance Guarantee Account; establishing investment requirements; providing for ceasing of certification; imposing limitations on fees being paid; imposing new capital requirements; and requiring reporting.

SB 237 URBAN FARMING AMENDMENTS – Sen. J. Stuart Adams (Effective 5/13/2014) This bill expands the definition of "urban farming" to include a county of the second class if that county is at least 98% urban; states that land that is withdrawn from assessment under the Urban Farming Assessment Act is subject to a rollback tax for the previous five years.

SB 242 ALTERNATIVE ENERGY AMENDMENTS – Sen. J. Stuart Adams (Multiple effective dates, retrospective to 1/1/2014) This bill requires an alternative energy entity to certify that it plans to produce at least 250 barrels per day if the alternative energy project is a biomass energy fuel production in order to qualify for corporate and income tax credits; effective July 1, 2014, amends the definitions of alternative energy and biomass energy for purposes of the sales tax exemptions relating to alternative energy.

SB 244 MODIFICATIONS TO PROPERTY TAX – Sen. Aaron Osmond (Effective 5/13/2014) This bill authorizes the county treasurer to provide property tax notices by electronic mail if the taxpayer makes an election to receive the notice by electronic mail.

SJR 7 JOINT RESOLUTION REGARDING QUALIFICATIONS OF STATE TAX COMMISSION MEMBERS – Sen. John L. Valentine (Effective January 1, 2015 if approved by a majority of those voting on it at the next regular general election) This resolution eliminates a provision limiting membership on the State Tax Commission to no more than two members from the same political party; and provides that the qualifications of State Tax Commission members are as provided by statute.