



State of Utah

JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

## Utah State Tax Commission

PAM HENDRICKSON  
Commission Chair

R. BRUCE JOHNSON  
Commissioner

PALMER DEPAULIS  
Commissioner

MARC B. JOHNSON  
Commissioner

RODNEY G. MARRELLI  
Executive Director

April 26, 2005

### Utah Capital Investment Board:

H.B. 179, the Venture Capital Contingent Tax Credit, provides for a refundable tax credit. As a consequence, the Tax Commission needs are:

1. A certificate issued by you to the taxpayer/investor that authorizes the dollar amount of the credit to be taken. Our only requirement for the certificate is that it includes the maturity date, as that date controls the year the taxpayer may claim the credit on his tax return. The certificate would not be required to be attached to the return, but must be retained by the taxpayer for future audit purposes.
2. To ensure the integrity of the credit, we will not include instructions in our tax booklets or on our general website about the credit. However, a special web page has been set up for interested parties at [www.tax.utah.gov/venturecapital](http://www.tax.utah.gov/venturecapital). The following instructions on how to claim the credit should be printed on the certificate, as follows:

**"Claiming the Utah Capital Investment Board Credit on Your Tax Return**

**To claim the credit on your tax return, enter the credit amount shown (refer to location on certificate) as a refundable credit on your tax return for the year the certificate is issued. Refer to the tax return instructions to determine the return line number on which to record this credit. Use code "49" for this credit on your tax return. Do not send this certificate with your return. Keep this certificate and all related documents with your records. This information may be requested by the Tax Commission for audit purposes."**

3. You indicated you would maintain a register of those qualified to claim the credit. The Tax Commission would need access to that register or some contact person to verify the credit before we issue the refund.

If you or potential investors have questions or concerns about the Utah Capital Investment Board Credit, please contact me at (801) 297-7715, or by email at [wrwebb@utah.gov](mailto:wrwebb@utah.gov), or contact my supervisor J.D. Heaton at (801) 297-3536 or by email at [jheaton@utah.gov](mailto:jheaton@utah.gov).

Warren R. Webb  
Information Specialist