

Removal of Credits and Contributions from Tax Returns

Section 59-7-903 requires the Tax Commission to remove a nonrefundable tax credit from the corporate tax return if, for three consecutive taxable years: (1) the total amount of the tax credit claimed or carried forward is less than \$10,000 per taxable year; and (2) less than 10 persons per year file a return claiming or carrying forward the tax credit. The tax credit is removed from the return two taxable years after the January 1 immediately following the date the Tax Commission determines that the above criteria have been satisfied.

The Tax Commission is required to report on or before the November meeting of the Revenue and Taxation Interim Committee when a nonrefundable tax credit meets the criteria for removal from the corporate income tax return.

The corporate nonrefundable residential renewable energy systems tax credit (Subsection 59-7-614(3)) meets the criteria for removal and will be removed from the 2022 corporate tax return.