

**CORPORATE FRANCHISE AND INCOME TAX AMENDMENTS**

2015 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Howard A. Stephenson**

House Sponsor: Daniel McCay

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**LONG TITLE**

**General Description:**

This bill amends provisions related to a credit against or refund of an overpayment of corporate franchise or income taxes.

**Highlighted Provisions:**

This bill:

- ▶ defines a term;
- ▶ amends provisions related to a credit against or refund of an overpayment of corporate franchise and income taxes; and
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

This bill provides for retrospective operation.

**Utah Code Sections Affected:**

AMENDS:

**59-7-522**, as last amended by Laws of Utah 2010, Chapter 216

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **59-7-522** is amended to read:

**59-7-522. Definition -- Overpayments.**

(1) As used in this section, "overpayment" means the same as that term is defined in

30 Section 59-1-1409.

31 ~~[(+)]~~ (2) (a) Subject to Subsection ~~[(+)]~~ (2)(b), a claim for credit or refund of an  
32 overpayment that is attributable to a Utah net loss carry back or carry forward shall be filed  
33 within three years from the due date of the return for the taxable year of the Utah net loss.

34 (b) The three-year period described in Subsection ~~[(+)]~~ (2)(a) shall be extended by any  
35 extension of time provided in statute for filing the return described in Subsection ~~[(+)]~~ (2)(a).

36 ~~[(2) If an overpayment relates to a change in or correction of federal taxable income  
37 described in Section 59-7-519, a credit may be allowed or a refund paid any time before the  
38 expiration of the period within which a deficiency may be assessed.]~~

39 (3) The commission shall make a credit against or refund of any overpayment of a tax  
40 under this chapter for a taxable year if, in accordance with Section 59-7-519:

41 (a) (i) a corporation agrees with the commissioner of internal revenue for an extension,  
42 or a renewal of an extension, of the period for proposing and assessing a deficiency in federal  
43 income tax for that taxable year; or

44 (ii) there is a change in or correction of federal taxable income for that taxable year;  
45 and

46 (b) the corporation files a claim for the credit or refund before the expiration of the  
47 time period within which the commission may assess a deficiency.

48 ~~[(3)]~~ (4) The commission shall make a credit or refund within a 30-day period after the  
49 day on which a court's decision to require the commission to credit or refund the amount of an  
50 overpayment to a taxpayer is final.

51 **Section 2. Effective date -- Retrospective operation.**

52 (1) Subject to Subsection (2), this bill takes effect on July 1, 2017.

53 (2) This bill:

54 (a) has retrospective operation for a refund claim filed or pending on or after January 1,  
55 2015; and

56 (b) applies to an amount for which the commission may assess a deficiency under  
57 Section 59-7-519.

