

February 15, 2011

PROPOSED AMENDMENTS TO SENATE BILL NO. 2329

Page 1, line 8, remove "or operator"

Page 1, line 8, after "business" insert "or the owner of a new or expanding retail business location"

Page 1, line 10, replace "taxpayer" with "applicant"

Page 1, line 11, remove "must be made in credit grant rounds"

Page 1, replace lines 12 through 16 with "may be made on the basis of applications submitted and may be awarded until the credits available for the calendar year are fully utilized."

Page 1, line 17, replace "or operator" with "of the retail business or the owner of the retail business location"

Page 1, line 17, after "and" insert "the"

Page 1, line 18, after the first "business" insert "or retail business location"

Page 1, line 18, after the second "business" insert "or retail business location"

Page 2, line 1, replace "encouragement" with "the establishment"

Page 2, line 1, after "businesses" insert "and the expansion of existing retail businesses"

Page 2, line 8, after "expected" insert "additional"

Page 2, line 8, replace ", as estimated" with "or the businesses that are expected to occupy the new or expanding retail location must be reviewed"

Page 2, line 10, remove "or operator"

Page 2, line 12, replace "percentage that" with "ratio of"

Page 2, line 12, replace "is of" with "to"

Page 2, line 12, after "investment" insert "from all sources"

Page 2, line 21, after "4." insert "To be eligible for a credit, an applicant must score at least seventy-five percent of points available under subsection 3 and the applicant may not be closing or reducing its business operations in one area of the state and relocating substantially the same business operations to another area.

5."

Page 2, line 21, replace "total" with "aggregate amount"

Page 2, line 22, replace "one" with "two"

Page 2, line 22, replace "two" with "five"

Page 2, line 22, remove "fifty"

Page 2, line 22, replace "grant round" with "calendar year"

Page 2, line 22, after the underscored period insert "The credit awarded to an applicant is limited to not more than forty percent of the initial or estimated investment in the business or the retail business location, which may be awarded:

- a. In a single installment;
  - b. In an amount equal to twenty percent per year for five years; or
  - c. In annual installments for a period not to exceed five years, in an amount to be determined by the department of commerce contingent on the applicant meeting the annual performance goals as set forth in the original grant application.
6. The department of commerce shall notify the tax commissioner of the credit amount awarded to each applicant.
7. For purposes of the determination of the credit, qualifying initial investments are material investments in the business, including the purchase of land, equipment, inventory, building materials, and payments for construction contracts and franchise fees. The applicant must notify the department of commerce of any material changes to, or withdrawal of, an application. If an approved application is withdrawn by the applicant before the credit being awarded, the credit amount allocated to the withdrawn application must be added back into the aggregate amount of credits that may be awarded during the calendar year. The department of commerce shall place conditions on the credit award including circumstances that will trigger a clawback and the amount of the credit that may be recouped if those circumstances occur. The department of commerce shall notify the tax commissioner of the amount of credit to be recouped."

Page 2, line 23, replace "5." with "8."

Page 2, line 23, remove "The credit awarded to an applicant is limited to not more than forty percent of the initial"

Page 2, line 24, remove "investment in the business."

Page 2, line 29, replace "6." with "9."

Page 2, line 29, replace "An" with "The owner of an"

Page 2, line 29, after "business" insert "or the owner of an expanding retail location"

Page 2, line 30, after "business" insert "or a new business location"

Page 3, line 3, after "business" insert "or of the businesses that are expected to occupy the expanding retail location"

Page 3, line 3, replace "fifty" with "twenty-five"

Page 3, line 3, replace "five" with "three"

Page 3, line 4, remove "Not more than twenty-five percent of the credits available in the credit grant"

Page 3, line 5, replace "round may be awarded to expanding existing businesses" with "If the expansion is of a retail location, the investment in the expansion must be an amount equal to or in excess of twenty-five percent of the current true and full value of the commercial portion of the existing structure"

Page 3, line 6, after "business" insert "or existing retail location"

Page 3, line 6, replace "twenty" with "forty"

Page 3, line 7, after the first "the" insert "initial or estimated"

Page 3, remove lines 8 through 10

Page 3, line 11, replace "under this section and used in any previous taxable year" with:

"10. Upon certification by the department of commerce that the credit or any portion of the credit is revoked, the amount certified"

Page 3, line 12, replace "paid" with "assessed"

Page 3, line 12, replace "subject to enforcement" with "collected"

Page 3, line 13, after "chapter" insert ", notwithstanding the time limitations in section 57-38-38"

Page 3, line 14, replace "8." with "11."

Renumber accordingly