

House Bill 111 Version X

Sectional Analysis

Section 1: Conforms to the repeal of 43.05.240(l), only relates to credit certificates that we buy, so if no more certificates left to buy then repeal, only takes effect once all tax certificates are purchased

Section 2: Changes interest rate to 5.25% after January 1, 2018, reduction of rate, but keeps rate for as long as money is owed, will affect all taxes

Section 3: Allows a 43.55.025 (exploration credit) to be used against corporate income tax (43.20)

Section 4: Conforms to the repeal of 43.20.047(e) (can't earn it after 2020), conforming to repeal of 028 fund once there's not credit certificates outstanding (natural gas storage facility)

Section 5: Credit earned under 43.55.023 (WLE, QCE, and NOL) can be used against past tax liability, if under constitution the money would go to CBR can't use to pay off tax liability

Section 6: Amends 023 (d) to clarify you can't get a cashable tax credit after July 1, 2017, gives notice that you can obtain a cash payment, but other restrictions

Section 7: Amends 023 (d) to clarify you can't get a cashable tax credit after July 1, 2017, but could still use as a transferrable credit

Section 8: Allows credits under 023 to be used against a past tax liability, subject to constitutional constraints

Section 9: Conforms to repeal of 028 credit fund

Section 10: Amends 025 exploration earned after July 1, 2016 to be used against corporate income tax liability

Section 11: Conforms to Section 12, which conforms to ending 43.55.025 A (4), seismic exploration credit, on January 1, 2018 (instead of 2022)

Section 12: Ends one tax credit in middle earth Adding a new B(1), ends the 43.55.025 A(4) , the 40% exploration credit

Section 13: A credit under 43.55.025 can be used against corporate income tax liability on July 1, 2016, this section is for a tax certificate

Section 14: If you sell a 43.55.025 credit certificate the buyer can't use it against corporate income tax

Section 15: Allows use of a 43.55.025 credit against a past tax liability, subject to constitutional constraints

Section 16: Allows a credit earned under 43.55.025 against 43.20 tax , this section is for tax credit

Section 17: Conforming to change ending 025 A (4)

Section 18: Allows for application of a conditional tax credit certificate (temporary to get placed in the queue)

Section 19: 028 Oil and tax credit fund can't purchase a tax credit earned after July 1, 2017

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Section 21: Conforms to the repeal of the NOL tax credit 43.55.023(B)

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Section 25: Repeals 023 (b) and 160 (e) related to NOL

Section 26: All the repeals related to the 028 fund, contingent on all tax credits being repurchased, also repeals 029 assignment of tax credits

Section 27: Legislative Working Group

Section 28: Transition language for corporate taxes

Section 29: Transition language for tax credit and credit certificate carryback

Section 30: Transition language for new interest rate

Section 31: Transition language for transparency provisions related to the last year of tax credit certificate purchase

Section 32: Transition language for July 1, 2017 year split of credits

Section 33: Transition language for repeal of 023 (B) so that you can receive certificate for activity before repeal

Section 34: Transition language for 028 fund

Section 35: Allows DOR to enact retroactive regulations

Section 36: Makes cashable credit sections retroactive to July 1, 2017

Section 37: Conditional effect for end of 028 credit fund

Section 38: Some sections have immediate and retroactive effective dates

Section 39: Relates to repeal of 028 fund

Section 40: January 1, 2018 effective dates for other sections