

TITLE 4: ECONOMIC RESOURCES
DIVISION 1: REVENUE AND TAXATION

§ 1943. Tax Credits; Connection Fees; Voluntary Contributions.

(a) *Connection Fees.* Connection fees, in excess of actual costs of connection to Commonwealth Utilities Corporation utilities charged to a developer prior to July 19, 1993, by the Commonwealth Utilities Corporation and paid prior to or as a condition of the receipt of a building permit shall be credited against the tax liability created under this chapter. Credits under this subsection shall be applied to the appropriate trust account.

(b) *Coastal Resources Management Voluntary Contributions.* Contributions for infrastructure made by a developer, prior to July 19, 1993, to the Coastal Resources Management office shall be credited against the tax liability created under this chapter. Credits under this subsection shall be applied to the appropriate trust account.

(c) *Credits for Other Infrastructure Payments.* Developer payments toward infrastructure made, prior to July 19, 1993, as a condition of receiving a permit from any agency of the Commonwealth government or as a condition of receiving a public land lease, or legislative approval of such a lease, shall be credited against the tax liability created under this chapter and shall be applied to the appropriate trust account. In the event that the amount of available tax credit exceeds the tax liability created under this chapter, the excess tax credit shall not constitute a right to refund or be used as a credit toward future development projects.

(d) *Credits for Dedicated Capital Improvements.* The value of any capital improvement that the developer dedicated to the electrical, water, sewer, roads, or surface water drainage and flood control systems shall be credited against the tax liability created under this chapter and shall apply to the appropriate trust account; provided, such dedicated capital improvements are accepted after inspection by the authorized representative of the appropriate managing agency or department and the Director of Finance, and are not otherwise reimbursed by the Commonwealth government. The value of the dedicated capital improvements shall be determined on the basis of an appraisal prepared by an appraiser chosen with the consent of the Director of Finance. In no event shall the value be deemed greater than the reasonable cost to the developer of the dedicated capital improvement. In the event that the amount of tax credit exceeds the tax liability created under this chapter, the excess tax credit shall not constitute a right to a refund or be used as a credit toward future development projects.

Source: PL 8-23, § 16.

Commission Comment: With respect to the references to the “Director of Finance,” see Executive Order 94-3 (effective August 23, 1994), reorganizing the executive branch, changing agency names and official titles, and effecting other changes, set forth in the Commission comment to 1 CMC § 2001.