

SPECIAL NEEDS ADOPTION TAX CREDIT

2013 GENERAL SESSION

STATE OF UTAH

LONG TITLE**General Description:**

This bill amends the Refundable Tax Credit Act to address a tax credit for the adoption of a child who has a special need.

Highlighted Provisions:

This bill:

- ▶ modifies the refundable income tax credit for the adoption of a child who has a special need; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill has retrospective operation for a taxable year beginning on or after January 1, 2013.

Utah Code Sections Affected:

AMENDS:

59-10-1104, as renumbered and amended by Laws of Utah 2006, Chapter 223

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

Section 1. Section **59-10-1104** is amended to read:

59-10-1104. Tax credit for adoption of a child who has a special need.

(1) As used in this section, a "child who has a special need" means a child who meets at least one of the following conditions:

- (a) the child is five years of age or older;
- (b) the child:
 - (i) is under the age of 18; and
 - (ii) has a physical, emotional, or mental disability; or
- (c) the child is a member of a sibling group placed together for adoption.

33 (2) ~~[For taxable years beginning on or after January 1, 2005]~~ Subject to the other
34 provisions of this section, a claimant who adopts ~~[in this state]~~ a child who has a special need
35 may claim a refundable tax credit of \$1,000:

36 (a) for each child who has a special need who the claimant adopts;

37 (b) on the claimant's individual income tax return for the taxable year [a refundable tax
38 credit of \$1,000]; and

39 (c) against taxes otherwise due under this chapter [for:].

40 ~~[(a) adoptions for which a court issues an order granting the adoption on or after~~
41 ~~January 1, 2005;]~~

42 ~~[(b) the taxable year during which a court issues an order granting the adoption; and]~~

43 ~~[(c) each child who has a special need whom the claimant adopts.]~~

44 (3) For a claimant to qualify for the tax credit described in Subsection (2) for an
45 adoption:

46 (a) the order that grants the adoption shall be issued:

47 (i) on or after January 1, 2013; and

48 (ii) by:

49 (A) a court of competent jurisdiction of this state or another state; or

50 (B) a foreign country;

51 (b) the claimant shall be a resident of this state on the date the order described in
52 Subsection (3)(a) is issued; and

53 (c) for an adoption made by a foreign country, the adoption shall be registered in
54 accordance with Section 78B-6-142.

55 (4) (a) For an adoption for which a court of competent jurisdiction of this state or
56 another state issues the order described in Subsection (3)(a), a claimant may claim a tax credit
57 for the taxable year for which the adoption order becomes final.

58 (b) For an adoption for which a foreign country issues the order described in
59 Subsection (3)(a), a claimant may claim a tax credit for the taxable year for which a court of
60 competent jurisdiction in this state orders the state registrar to file the adoption order issued by
61 the foreign country.

62 ~~[(3)]~~ (5) The credit provided for in this section may not be carried forward or carried
63 back.

64 [~~(4)~~] (6) Nothing in this section shall affect the ability of any claimant who adopts a
65 child who has a special need to receive adoption assistance under Section 62A-4a-907.

66 Section 2. **Retrospective operation.**

67 This bill has retrospective operation for a taxable year beginning on or after January 1,
68 2013.