

Senator Robert M. Muhlestein proposes to substitute the following bill:

1                                   **INCOME TAX CREDIT FOR STAY-AT-HOME**

2                                   **PARENTS OR GUARDIAN**

3                                   1998 GENERAL SESSION

4                                   STATE OF UTAH

5                                   **Sponsor: Robert M. Muhlestein**

6   AN ACT RELATING TO INDIVIDUAL INCOME TAX; CREATING A TAX CREDIT FOR  
7   CERTAIN PARENTS.

8   This act affects sections of Utah Code Annotated 1953 as follows:

9   ENACTS:

10       **59-10-108.1**, Utah Code Annotated 1953

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

12       Section 1. Section **59-10-108.1** is enacted to read:

13       **59-10-108.1. Tax credit for at-home parent or guardian.**

14       (1) As used in this section, "at-home parent" means a parent or guardian who:

15       (a) stays at home and cares for one or more of his or her own children who are not yet age  
16       six as of the December 31 of the taxable year for which the credit is claimed;

17       (b) claims the child or children as dependents on a state income tax return for the taxable  
18       year for which the credit is claimed; and

19       (c) for whom all of the income for all federal Forms W-2 for the taxable year for which  
20       the credit is claimed show an income of \$3,000 or less.

21       (2) For taxable years beginning on or after January 1, 2000, there is allowed for each return  
22       filed when one or more of the filers is an at-home parent, a nonrefundable credit against the  
23       income tax due as provided in the following table:

24       If the state taxable income is:

The tax credit is:

25       Less than or equal

\$500 per child

**\*SB0210S2\***

1	<u>to \$20,000</u>	
2	<u>Greater than \$20,000</u>	<u>\$450 per child</u>
3	<u>but less than or</u>	
4	<u>equal to \$22,500</u>	
5	<u>Greater than \$22,500</u>	<u>\$400 per child</u>
6	<u>but less than or</u>	
7	<u>equal to \$25,000</u>	
8	<u>Greater than \$25,000</u>	<u>\$350 per child</u>
9	<u>but less than or</u>	
10	<u>equal to \$27,500</u>	
11	<u>Greater than \$27,500</u>	<u>\$300 per child</u>
12	<u>but less than or</u>	
13	<u>equal to \$30,000</u>	
14	<u>Greater than \$30,000</u>	<u>\$250 per child</u>
15	<u>but less than or</u>	
16	<u>equal to \$32,500</u>	
17	<u>Greater than \$32,500</u>	<u>\$200 per child</u>
18	<u>but less than or</u>	
19	<u>equal to \$35,000</u>	
20	<u>Greater than \$35,000</u>	<u>\$150 per child</u>
21	<u>but less than or</u>	
22	<u>equal to \$37,500</u>	
23	<u>Greater than \$37,500</u>	<u>\$100 per child</u>
24	<u>but less than or</u>	
25	<u>equal to \$40,000</u>	
26	<u>Greater than \$40,000</u>	<u>\$50 per child</u>
27	<u>(3) A taxpayer may not carry forward or carry back a tax credit authorized by this section.</u>	