

**INDIVIDUAL INCOME TAX CREDIT FOR
CERTAIN POLITICAL CONTRIBUTIONS**

2001 GENERAL SESSION

STATE OF UTAH

Sponsor: Bill Wright

This act modifies the Revenue and Tax Code to create an individual income tax credit for certain political contributions. This act has retrospective operation for taxable years beginning on or after January 1, 2001.

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

ENACTS:

59-10-133, Utah Code Annotated 1953

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

Section 1. Section **59-10-133** is enacted to read:

59-10-133. Credits for certain political contributions.

(1) As used in this section:

(a) "Candidate" is as defined in Section 20A-11-101.

(b) "Political action committee" is as defined in Section 20A-11-101.

(c) "Political contribution" means to voluntarily give money to an entity listed in Subsection (2), but does not include an election campaign fund designation under Section 59-10-547.

(d) "Political issues committee" is as defined in Section 20A-11-101.

(e) "Political party" is as defined in Section 20A-1-102.

(2) For taxable years beginning on or after January 1, 2001, a taxpayer may claim as provided in this section a nonrefundable credit against the taxes imposed by this chapter for a political contribution made during the taxable year to a:

(a) candidate;

(b) political action committee;



- 28 (c) political issues committee; or
- 29 (d) political party.
- 30 (3) The credit provided for in Subsection (2) shall be the lesser of:
- 31 (a) the political contribution made during the taxable year; or
- 32 (b) (i) \$50, for a taxpayer other than a husband and wife filing a joint return; or
- 33 (ii) \$100, for a husband and wife filing a joint return.
- 34 (4) Notwithstanding Subsection (3), a taxpayer:
- 35 (a) may only claim the credit provided in Subsection (2) for the taxable year during which
- 36 the political contribution is made; and
- 37 (b) may not carry forward or carry back the credit provided in Subsection (2).
- 38 (5) The taxpayer shall attach a written acknowledgment of the amount of the political
- 39 contribution that the taxpayer receives from the entity listed in Subsection (2) to any return upon
- 40 which the taxpayer claims a credit under this section.
- 41 Section 2. **Retrospective operation.**
- 42 This act has retrospective operation for taxable years beginning on or after January 1, 2001.

Legislative Review Note
as of 2-15-01 7:43 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel