

TAX CREDITS FOR EMPLOYING A HOMELESS PERSON

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brian S. King

Senate Sponsor: _____

LONG TITLE

General Description:

This bill enacts tax credits for employing a homeless person.

Highlighted Provisions:

This bill:

- ▶ defines terms; and
- ▶ enacts nonrefundable corporate and individual income tax credits for employing a homeless person.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill has retrospective operation for a taxable year beginning on or after January 1, 2012.

Utah Code Sections Affected:

ENACTS:

59-7-614.7, Utah Code Annotated 1953

59-10-1029, Utah Code Annotated 1953

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

Section 1. Section **59-7-614.7** is enacted to read:

59-7-614.7. Nonrefundable tax credit for hiring a homeless person.



28 (1) As used in this section:

29 (a) "Continuously employed" means that beginning on or after January 1, 2012, a
30 homeless person works for a corporation for at least 80 hours during each month of a
31 six-month period that begins on the date the homeless person is hired by the corporation.

32 (b) "Homeless person" means an individual whose primary nighttime residence is a
33 permanent housing, permanent supportive, or transitional facility.

34 (c) "Permanent housing, permanent supportive, or transitional facility" means a facility:

35 (i) located within the state;

36 (ii) that provides supervision of residents of the facility; and

37 (iii) (A) that is a publicly or privately operated shelter designed to provide temporary
38 living accommodations, including a welfare hotel, congregate shelter, or transitional housing
39 for the mentally ill, and that receives federal homeless assistance funding distributed by the
40 United States Department of Housing and Urban Development; or

41 (B) that is an emergency shelter that receives homeless assistance funding from a
42 county, city, or town.

43 (2) A corporation may claim a nonrefundable tax credit as provided in this section
44 against a tax under this chapter if the corporation hires a homeless person:

45 (a) on or after January 1, 2012;

46 (b) who resides in a permanent housing, permanent supportive, or transitional facility
47 on the date the corporation hires the homeless person; and

48 (c) who is continuously employed by the corporation.

49 (3) A tax credit:

50 (a) may not exceed \$1,000 per homeless person a corporation hires; and

51 (b) may be claimed only once per homeless person a corporation hires.

52 (4) A corporation that claims a tax credit under this section shall retain the following
53 for each homeless person with respect to whom the corporation claims a tax credit under this
54 section:

55 (a) the homeless person's:

56 (i) name;

57 (ii) taxpayer identification number; and

58 (iii) current address, or if the homeless person is no longer employed by the

59 corporation, the last known address of the homeless person; and

60 (b) documentation provided by a permanent housing, permanent supportive, or
61 transitional facility:

62 (i) stating the address of the permanent housing, permanent supportive, or transitional
63 facility; and

64 (ii) establishing that the homeless person resided at the permanent housing, permanent
65 supportive, or transitional facility on the date the corporation hired the homeless person.

66 (5) A corporation shall provide the information described in Subsection (4) to the
67 commission at the request of the commission.

68 (6) A corporation may carry forward a tax credit under this section for a period that
69 does not exceed the next five taxable years if:

70 (a) the corporation is allowed to claim a tax credit under this section for a taxable year;
71 and

72 (b) the amount of the tax credit exceeds the corporation's tax liability under this chapter
73 for that taxable year.

74 Section 2. Section **59-10-1029** is enacted to read:

75 **59-10-1029. Nonrefundable tax credit for hiring a homeless person.**

76 (1) As used in this section:

77 (a) "Continuously employed" means that beginning on or after January 1, 2012, a
78 homeless person works for a claimant, estate, or trust for at least 80 hours during each month
79 of a six-month period that begins on the date the homeless person is hired by the claimant,
80 estate, or trust.

81 (b) "Homeless person" means an individual whose primary nighttime residence is a
82 permanent housing, permanent supportive, or transitional facility.

83 (c) "Permanent housing, permanent supportive, or transitional facility" means a facility:

84 (i) located within the state;

85 (ii) that provides supervision of residents of the facility; and

86 (iii) (A) that is a publicly or privately operated shelter designed to provide temporary
87 living accommodations, including a welfare hotel, congregate shelter, or transitional housing
88 for the mentally ill, and that receives federal homeless assistance funding distributed by the
89 United States Department of Housing and Urban Development; or

90 (B) that is an emergency shelter that receives homeless assistance funding from a
91 county, city, or town.

92 (2) A claimant, estate, or trust may claim a nonrefundable tax credit as provided in this
93 section against a tax under this chapter if the claimant, estate, or trust hires a homeless person:

94 (a) on or after January 1, 2012;

95 (b) who resides in a permanent housing, permanent supportive, or transitional facility
96 on the date the claimant, estate, or trust hires the homeless person; and

97 (c) who is continuously employed by the claimant, estate, or trust.

98 (3) A tax credit:

99 (a) may not exceed \$1,000 per homeless person a claimant, estate, or trust hires; and

100 (b) may be claimed only once per homeless person a claimant, estate, or trust hires.

101 (4) A claimant, estate, or trust that claims a tax credit under this section shall retain the
102 following for each homeless person with respect to whom the claimant, estate, or trust claims a
103 tax credit under this section:

104 (a) the homeless person's:

105 (i) name;

106 (ii) taxpayer identification number; and

107 (iii) current address, or if the homeless person is no longer employed by the claimant,
108 estate, or trust, the last known address of the homeless person; and

109 (b) documentation provided by a permanent housing, permanent supportive, or
110 transitional facility:

111 (i) stating the address of the permanent housing, permanent supportive, or transitional
112 facility; and

113 (ii) establishing that the homeless person resided at the permanent housing, permanent
114 supportive, or transitional facility on the date the claimant, estate, or trust hired the homeless
115 person.

116 (5) A claimant, estate, or trust shall provide the information described in Subsection
117 (4) to the commission at the request of the commission.

118 (6) A claimant, estate, or trust may carry forward a tax credit under this section for a
119 period that does not exceed the next five taxable years if:

120 (a) the claimant, estate, or trust is allowed to claim a tax credit under this section for a

121 taxable year; and
122 (b) the amount of the tax credit exceeds the claimant's, estate's, or trust's tax liability
123 under this chapter for that taxable year.

124 Section 3. **Retrospective operation.**

125 This bill has retrospective operation for a taxable year beginning on or after January 1,
126 2012.

Legislative Review Note
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Office of Legislative Research and General Counsel