

Representative Brian S. King proposes the following substitute bill:

1 **TAX CREDITS FOR EMPLOYING A HOMELESS PERSON AND**
2 **RELATED FUNDING**

3 2013 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Brian S. King**

6 Senate Sponsor: Curtis S. Bramble

7	Cosponsors:	Rebecca P. Edwards	Marie H. Poulson
8	Patrice M. Arent	Steve Eliason	Angela Romero
9	Joel K. Briscoe	Janice M. Fisher	Jennifer M. Seelig
10	Derek E. Brown	Lynn N. Hemingway	Mark A. Wheatley
11	Rebecca Chavez-Houck	Eric K. Hutchings	Larry B. Wiley
12	Tim M. Cosgrove	Carol Spackman Moss	
13	Susan Duckworth	Jim Nielson	

14
15 **LONG TITLE**

16 **General Description:**

17 This bill enacts tax credits for employing a homeless person and provides for transfers
18 from the General Fund into the Education Fund in the amount of tax credit claimed.

19 **Highlighted Provisions:**

20 This bill:

- 21 ▶ defines terms; and
- 22 ▶ enacts nonrefundable corporate and individual income tax credits for employing a
23 homeless person;
- 24 ▶ provides an expiration date for claiming the tax credits;



25 ▶ requires transfers from the General Fund into the Education Fund in the amount of
26 tax credit claimed; and

27 ▶ grants rulemaking authority to the State Tax Commission.

28 **Money Appropriated in this Bill:**

29 None

30 **Other Special Clauses:**

31 This bill has retrospective operation for a taxable year beginning on or after January 1,
32 2013.

33 **Utah Code Sections Affected:**

34 ENACTS:

35 **59-7-614.10**, Utah Code Annotated 1953

36 **59-10-1032**, Utah Code Annotated 1953



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

39 Section 1. Section **59-7-614.10** is enacted to read:

40 **59-7-614.10. Nonrefundable tax credit for hiring a homeless person.**

41 (1) As used in this section:

42 (a) "Continuously employed" means that beginning on or after January 1, 2013, a
43 homeless person works for compensation for a corporation for at least 80 hours during each
44 month of a six-month period that begins on the date the homeless person is hired by the
45 corporation.

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

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

49 (i) located within the state;

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

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

55 (B) that is an emergency shelter that receives homeless assistance funding from a

56 county, city, or town.

57 (2) For a taxable year beginning on or after January 1, 2013, but beginning on or before
58 December 31, 2014, a corporation may claim a nonrefundable tax credit as provided in this
59 section against a tax under this chapter if the corporation hires a homeless person:

60 (a) on or after January 1, 2013;

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

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

64 (3) A tax credit under this section is equal to:

65 (a) (i) \$500 for a homeless person who works for a corporation for at least 80 hours but
66 fewer than 160 hours during each month of a six-month period that begins on the date the
67 homeless person is hired by the corporation; and

68 (ii) (A) \$500 if the homeless person described in Subsection (3)(a)(i) works for the
69 corporation for at least 80 hours but fewer than 160 hours during each month of an additional
70 six-month period that begins on the day after the last day of the six-month period described in
71 Subsection (3)(a)(i); or

72 (B) \$1000 if the homeless person described in Subsection (3)(a)(i) works for the
73 corporation for 160 or more hours during each month of an additional six-month period that
74 begins on the day after the last day of the six-month period described in Subsection (3)(a)(i); or

75 (b) (i) \$1000 for a homeless person who works for a corporation for 160 or more hours
76 during each month of a six-month period that begins on the date the homeless person is hired
77 by the corporation; and

78 (ii) (A) \$500 if the homeless person described in Subsection (3)(b)(i) works for the
79 corporation for at least 80 hours but fewer than 160 hours during each month of an additional
80 six-month period that begins on the day after the last day of the six-month period described in
81 Subsection (3)(b)(i); or

82 (B) \$1000 if the homeless person described in Subsection (3)(b)(i) works for the
83 corporation for 160 or more hours during each month of an additional six-month period that
84 begins on the day after the last day of the six-month period described in Subsection (3)(b)(i).

85 (4) (a) A tax credit under this section may be claimed only once per homeless person a
86 corporation hires.

87 (b) A tax credit under:

88 (i) Subsection (3)(a)(i) may be claimed in a different taxable year than a tax credit
89 claimed under Subsection (3)(a)(ii); and

90 (ii) Subsection (3)(b)(i) may be claimed in a different taxable year than a tax credit
91 claimed under Subsection (3)(b)(ii).

92 (5) A corporation that claims a tax credit under this section shall retain the following
93 for each homeless person with respect to whom the corporation claims a tax credit under this
94 section:

95 (a) the homeless person's:

96 (i) name;

97 (ii) taxpayer identification number; and

98 (iii) current address, or if the homeless person is no longer employed by the
99 corporation, the last known address of the homeless person;

100 (b) documentation provided by a permanent housing, permanent supportive, or
101 transitional facility:

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

104 (ii) establishing that the homeless person resided at the permanent housing, permanent
105 supportive, or transitional facility on the date the corporation hired the homeless person; and

106 (c) documentation establishing the hours and dates that the homeless person worked
107 for the corporation.

108 (6) A corporation shall provide the information described in Subsection (5) to the
109 commission at the request of the commission.

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

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

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

116 (8) In accordance with any rules prescribed by the commission under Subsection (9),
117 the commission shall transfer at least annually from the General Fund into the Education Fund

118 an amount equal to the amount of tax credit claimed under this section.

119 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
120 commission may make rules for making a transfer from the General Fund into the Education
121 Fund as required by Subsection (8).

122 Section 2. Section **59-10-1032** is enacted to read:

123 **59-10-1032. Nonrefundable tax credit for hiring a homeless person.**

124 (1) As used in this section:

125 (a) "Continuously employed" means that beginning on or after January 1, 2013, a
126 homeless person works for compensation for a claimant, estate, or trust for at least 80 hours
127 during each month of a six-month period that begins on the date the homeless person is hired
128 by the claimant, estate, or trust.

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

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

132 (i) located within the state;

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

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

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

140 (2) For a taxable year beginning on or after January 1, 2013, but beginning on or before
141 December 31, 2014, a claimant, estate, or trust may claim a nonrefundable tax credit as
142 provided in this section against a tax under this chapter if the claimant, estate, or trust hires a
143 homeless person:

144 (a) on or after January 1, 2013;

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

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

148 (3) A tax credit under this section is equal to:

149 (a) (i) \$500 for a homeless person who works for a claimant, estate, or trust for at least
150 80 hours but fewer than 160 hours during each month of a six-month period that begins on the
151 date the homeless person is hired by the claimant, estate, or trust; and

152 (ii) (A) \$500 if the homeless person described in Subsection (3)(a)(i) works for the
153 claimant, estate, or trust for at least 80 hours but fewer than 160 hours during each month of an
154 additional six-month period that begins on the day after the last day of the six-month period
155 described in Subsection (3)(a)(i); or

156 (B) \$1000 if the homeless person described in Subsection (3)(a)(i) works for the
157 claimant, estate, or trust for 160 or more hours during each month of an additional six-month
158 period that begins on the day after the last day of the six-month period described in Subsection
159 (3)(a)(i); or

160 (b) (i) \$1000 for a homeless person who works for a claimant, estate, or trust for 160 or
161 more hours during each month of a six-month period that begins on the date the homeless
162 person is hired by the claimant, estate, or trust; and

163 (ii) (A) \$500 if the homeless person described in Subsection (3)(b)(i) works for the
164 claimant, estate, or trust for at least 80 hours but fewer than 160 hours during each month of an
165 additional six-month period that begins on the day after the last day of the six-month period
166 described in Subsection (3)(b)(i); or

167 (B) \$1000 if the homeless person described in Subsection (3)(b)(i) works for the
168 claimant, estate, or trust for 160 or more hours during each month of an additional six-month
169 period that begins on the day after the last day of the six-month period described in Subsection
170 (3)(b)(i).

171 (4) (a) A tax credit under this section may be claimed only once per homeless person a
172 claimant, estate, or trust hires.

173 (b) A tax credit under:

174 (i) Subsection (3)(a)(i) may be claimed in a different taxable year than a tax credit
175 claimed under Subsection (3)(a)(ii); and

176 (ii) Subsection (3)(b)(i) may be claimed in a different taxable year than a tax credit
177 claimed under Subsection (3)(b)(ii).

178 (5) A claimant, estate, or trust that claims a tax credit under this section shall retain the
179 following for each homeless person with respect to whom the claimant, estate, or trust claims a

180 tax credit under this section:

181 (a) the homeless person's:

182 (i) name;

183 (ii) taxpayer identification number; and

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

186 (b) documentation provided by a permanent housing, permanent supportive, or
187 transitional facility:

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

190 (ii) establishing that the homeless person resided at the permanent housing, permanent
191 supportive, or transitional facility on the date the claimant, estate, or trust hired the homeless
192 person; and

193 (c) documentation establishing the hours and dates that the homeless person worked
194 for the claimant, estate, or trust.

195 (6) A claimant, estate, or trust shall provide the information described in Subsection
196 (5) to the commission at the request of the commission.

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

199 (a) the claimant, estate, or trust is allowed to claim a tax credit under this section for a
200 taxable year; and

201 (b) the amount of the tax credit exceeds the claimant's, estate's, or trust's tax liability
202 under this chapter for that taxable year.

203 (8) In accordance with any rules prescribed by the commission under Subsection (9),
204 the commission shall transfer at least annually from the General Fund into the Education Fund
205 an amount equal to the amount of tax credit claimed under this section.

206 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
207 commission may make rules for making a transfer from the General Fund into the Education
208 Fund as required by Subsection (8).

209 **Section 3. Retrospective operation.**

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

211 2013.