

59 (i) purchased in a single transaction;

60 (ii) valid for a time period of one month or more; and

61 (iii) purchased only for one or more of the following months:

62 (A) January;

63 (B) February; or

64 (C) July.

65 (b) "Eligible public transit pass holder" means the following individuals for whom an
66 eligible public transit pass is purchased:

67 (i) a claimant;

68 (ii) the claimant's spouse, if any; or

69 (iii) an individual who the claimant claims as a dependent under Section 151, Internal
70 Revenue Code, on the claimant's federal individual income tax return for the taxable year.

71 (c) "Public transit" means transportation:

72 (i) other than air transportation or water transportation;

73 (ii) of passengers only and their incidental baggage;

74 (iii) provided by a governmental entity; and

75 (iv) by means other than:

76 (A) chartered bus;

77 (B) sightseeing bus; or

78 (C) taxi.

79 (2) Except as provided in Section 59-10-1002.2, and subject to the other provisions of
80 this section, for a taxable year beginning on or after January 1, 2014, but beginning on or
81 before December 31, 2018, a claimant may claim a nonrefundable tax credit against a tax under
82 this chapter for the purchase of one or more eligible public transit passes for use in this state by
83 an eligible public transit pass holder.

84 (3) A claimant may claim a tax credit under this section for a taxable year for the
85 purchase of one or more eligible public transit passes for use in this state by an eligible public
86 transit pass holder if the claimant:

87 (a) pays at least \$125 for the taxable year to purchase one or more ~~H~~→ eligible ←~~H~~ public
87a transit passes

88 for use by that eligible public transit pass holder;

89 (b) includes the amount in adjusted gross income;

90 (c) does not claim the amount as a deduction or tax credit on a state or federal
91 individual income tax return for the taxable year, other than a tax credit under this section; and

92 (d) does not receive reimbursement for the amount from any other person.

93 (4) With respect to an eligible public transit pass holder, a tax credit under this section
94 is equal to the lesser of:

95 (a) 25% of the amount a claimant pays for that taxable year for the purchase of one or
96 more ~~H~~→ **eligible** ←~~H~~ public transit passes for use in this state by that eligible public
96a transit pass holder; or

97 (b) \$50.

98 (5) (a) A claimant that claims a tax credit under this section shall retain a receipt for
99 any amount for which the claimant claims a tax credit under this section.

100 (b) At the request of the commission, a claimant shall provide a receipt described in
101 Subsection (5)(a) to the commission.

102 (6) A claimant may not carry forward or carry back a tax credit under this section.

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

106 (8) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
107 commission may make rules for making a transfer from the General Fund into the Education
108 Fund as required by Subsection (7).

109 **Section 3. Retrospective operation.**

110 This bill has retrospective operation for a taxable year beginning on or after January 1,
111 2014.

Legislative Review Note
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Office of Legislative Research and General Counsel