

EDUCATOR TAX CREDIT

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Steve Eliason

Senate Sponsor: _____

LONG TITLE

General Description:

This bill enacts a tax credit.

Highlighted Provisions:

This bill:

- ▶ defines terms; and
- ▶ enacts a nonrefundable tax credit for certain expenses an educator incurs.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides for retrospective operation.

Utah Code Sections Affected:

ENACTS:

59-10-1033, Utah Code Annotated 1953

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

Section 1. Section **59-10-1033** is enacted to read:

59-10-1033. Definitions -- Nonrefundable tax credit for eligible educator.

(1) As used in this section:

(a) "Eligible educator" means a claimant who is:

(i) a teacher at a qualified school;



28 (ii) an instructor at a qualified school;

29 (iii) a counselor at a qualified school;

30 (iv) a principal at a qualified school; or

31 (v) an aide at a qualified school.

32 (b) (i) Subject to Subsection (1)(b)(ii), "qualified expense" means an amount paid or
33 incurred during a taxable year for the following if used in a classroom:

34 (A) a book;

35 (B) computer equipment, including related software or a related service;

36 (C) other equipment;

37 (D) a supply; or

38 (E) supplementary material.

39 (ii) "Qualified expense" means, for purposes of a course in health or physical
40 education, an amount paid or incurred for an item described in Subsection (1)(b)(i) only if the
41 item is related to athletics.

42 (c) "Qualified school" means an elementary school or a secondary school that:

43 (i) is a public or private school located in the state; and

44 (ii) provides student instruction for one or more years of kindergarten through grade

45 12.

46 (2) Subject to the other provisions of this section, an eligible educator may claim a
47 nonrefundable tax credit against a tax under this chapter for a qualified expense if the:

48 (a) eligible educator includes the qualified expense in adjusted gross income;

49 (b) qualified expense is not reimbursed by another person; and

50 (c) eligible educator works at least 900 hours during a school year in a qualified school.

51 (3) (a) For an eligible educator other than an eligible educator described in Subsection

52 (3)(b), a tax credit under this section is equal to the lesser of:

53 (i) the qualified expenses the eligible educator incurs during the taxable year; or

54 (ii) \$50.

55 (b) For an eligible educator who files a single federal individual income tax return
56 jointly with the eligible educator's spouse, and the spouse is also an eligible educator, a tax
57 credit under this section is equal to the lesser of:

58 (i) the qualified expenses each eligible educator incurs during the taxable year; or

59 (ii) \$50 per eligible educator.

60 (4) An eligible educator who claims a tax credit under this section shall retain a receipt
61 for any amount for which the eligible educator claims a tax credit under this section.

62 (5) At the request of the commission, an eligible educator shall provide a receipt for
63 any amount for which the eligible educator claims a tax credit under this section.

64 (6) An eligible educator may not carry forward or carry back a tax credit under this
65 section.

66 **Section 2. Retrospective operation.**

67 This bill has retrospective operation for a taxable year beginning on or after January 1,
68 2015.

Legislative Review Note
as of 12-1-14 8:04 AM

Office of Legislative Research and General Counsel