

1 **INCOME TAX CONTRIBUTION FOR CLEAN AIR**

2 2016 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Patrice M. Arent**

5 Senate Sponsor: Curtis S. Bramble

6 Cosponsors: Jack R. Draxler V. Lowry Snow
7 Joel K. Briscoe Edward H. Redd
Rebecca Chavez-Houck

8
9 **LONG TITLE**

10 **General Description:**

11 This bill modifies provisions relating to the Individual Income Tax Contribution Act.

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ creates the Clean Air Fund;
- 15 ▶ allows a resident or nonresident individual who files an individual income tax return
- 16 to designate on the resident or nonresident individual's income tax return a
- 17 contribution to the Clean Air Fund;
- 18 ▶ establishes criteria for the distribution of funds from the Clean Air Fund; and
- 19 ▶ makes technical and conforming changes.

20 **Money Appropriated in this Bill:**

21 None

22 **Other Special Clauses:**

23 None

24 **Utah Code Sections Affected:**

25 AMENDS:

26 **59-10-1304**, as last amended by Laws of Utah 2015, Chapters 30 and 41

27 ENACTS:

28 **59-10-1319**, Utah Code Annotated 1953

29

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

31 Section 1. Section **59-10-1304** is amended to read:

32 **59-10-1304. Removal of designation and prohibitions on collection for certain**
33 **contributions on income tax return -- Conditions for removal and prohibitions on**
34 **collection -- Commission publication requirements.**

35 (1) (a) If a contribution or combination of contributions described in Subsection (1)(b)
36 generate less than \$30,000 per year for three consecutive years, the commission shall remove
37 the designation for the contribution from the individual income tax return and may not collect
38 the contribution from a resident or nonresident individual beginning two taxable years after the
39 three-year period for which the contribution generates less than \$30,000 per year.

40 (b) The following contributions apply to Subsection (1)(a):

41 (i) the contribution provided for in Section **59-10-1306**;

42 (ii) the sum of the contributions provided for in Subsection **59-10-1307**(1);

43 (iii) the contribution provided for in Section **59-10-1308**;

44 (iv) the contribution provided for in Section **59-10-1310**;

45 (v) the contribution provided for in Section **59-10-1315**;

46 (vi) the sum of the contributions provided for in:

47 (A) Section **59-10-1316**; and

48 (B) Section **59-10-1317**; [~~or~~]

49 (vii) the contribution provided for in Section **59-10-1318**[~~;~~]; or

50 (viii) the contribution provided for in Section **59-10-1319**.

51 (2) If the commission removes the designation for a contribution under Subsection (1),
52 the commission shall report to the Revenue and Taxation Interim Committee that the
53 commission removed the designation on or before the November interim meeting of the year in
54 which the commission determines to remove the designation.

55 (3) (a) Within a 30-day period after making the report required by Subsection (2), the

56 commission shall publish a list in accordance with Subsection (3)(b) stating each contribution
57 that the commission will remove from the individual income tax return.

58 (b) The list shall:

59 (i) be published on:

60 (A) the commission's website; and

61 (B) the public legal notice website in accordance with Section 45-1-101;

62 (ii) include a statement that the commission:

63 (A) is required to remove the contribution from the individual income tax return; and

64 (B) may not collect the contribution;

65 (iii) state the taxable year for which the removal described in Subsection (3)(a) takes
66 effect; and

67 (iv) remain available for viewing and searching until the commission publishes a new
68 list in accordance with this Subsection (3).

69 Section 2. Section 59-10-1319 is enacted to read:

70 **59-10-1319. Contribution to Clean Air Fund.**

71 (1) (a) There is created an agency fund known as the "Clean Air Fund."

72 (b) The fund shall consist of all amounts deposited into the fund in accordance with
73 Subsection (2).

74 (2) Except as provided in Section 59-10-1304, for a taxable year beginning on or after
75 January 1, 2017, a resident or nonresident individual who files an individual income tax return
76 under this chapter may designate on the resident or nonresident individual's individual income
77 tax return a contribution as provided in this section to be:

78 (a) deposited into the Clean Air Fund; and

79 (b) expended as provided in Subsection (3).

80 (3) (a) At least once each year, the commission shall disburse from the Clean Air Fund
81 all money deposited into the fund since the last disbursement.

82 (b) The commission shall disburse money under Subsection (3)(a) to the Division of
83 Air Quality for the purpose of:

84 (i) providing money for grants to individuals or organizations in the state to fund
85 activities intended to improve air quality in the state; or
86 (ii) enhancing programs designed to educate the public about the importance of air
87 quality to the health, well-being, and livelihood of individuals in the state.