

Senator **Todd Weiler** proposes the following substitute bill:

1                                   **SMALL EMPLOYER RETIREMENT PROGRAM**

2   2017 GENERAL SESSION

3   STATE OF UTAH

4                                   **Chief Sponsor: Todd Weiler**

5                                   House Sponsor: \_\_\_\_\_

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7                   **LONG TITLE**

8                   **General Description:**

9                   This bill enacts provisions relating to tax credits for small employers.

10                  **Highlighted Provisions:**

11                  This bill:

- 12                  ▶ defines terms; and
- 13                  ▶ establishes an income tax credit for certain small employers that offer employees

14                  access to a qualified retirement plan.

15                  **Money Appropriated in this Bill:**

16                  None

17                  **Other Special Clauses:**

18                  None

19                  **Utah Code Sections Affected:**

20                  ENACTS:

21                  **59-7-621**, Utah Code Annotated 1953

22                  **59-10-1038**, Utah Code Annotated 1953

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

25                  Section 1. Section **59-7-621** is enacted to read:



26 59-7-621. Nonrefundable tax credit for small employer's participation in  
27 **retirement.**

28 (1) As used in this section:

29 (a) "Participating employer" means a small employer that offers a qualified plan to the  
30 employer's employees for voluntary enrollment.

31 (b) "Qualified plan" means a retirement plan that meets the requirements of the  
32 Employee Retirement Income Security Act of 1974, 29 U.S.C. Sec. 1001 et seq.

33 (c) "Small employer" means an employer in the state that has at least ten, but fewer  
34 than 50 employees who work in the state.

35 (2) For a taxable year that begins on or after January 1, 2018, and before January 1,  
36 2019, a participating employer may claim a \$500 nonrefundable tax credit for the taxable year  
37 in which the participating employer first offers a qualified plan.

38 (3) A participating employer may not carry forward or carry back a tax credit described  
39 in this section.

40 Section 2. Section **59-10-1038** is enacted to read:

41 **59-10-1038. Nonrefundable tax credit for small employer's participation in**  
42 **retirement.**

43 (1) As used in this section:

44 (a) "Participating employer" means a small employer that offers a qualified plan to the  
45 employer's employees for voluntary enrollment.

46 (b) "Qualified plan" means a retirement plan that meets the requirements of the  
47 Employee Retirement Income Security Act of 1974, 29 U.S.C. Sec. 1001 et seq.

48 (c) "Small employer" means an employer in the state that has at least ten, but fewer  
49 than 50 employees who work in the state.

50 (2) For a taxable year that begins on or after January 1, 2018, and before January 1,  
51 2019, a participating employer may claim a \$500 nonrefundable tax credit for the taxable year  
52 in which the participating employer first offers a qualified plan.

53 (3) A participating employer may not carry forward or carry back a tax credit described  
54 in this section.