

HB0106S01 compared with HB0106

~~{Omitted text}~~ shows text that was in HB0106 but was omitted in HB0106S01

inserted text shows text that was not in HB0106 but was inserted into HB0106S01

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1

Income Tax Revisions

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kay J. Christofferson

Senate Sponsor:

2

3 **LONG TITLE**

4 **General Description:**

5 This bill amends income tax provisions.

6 **Highlighted Provisions:**

7 This bill:

8 ▶ amends the corporate franchise and income tax rates; and

9 ▶ amends the individual income tax rate.

10 **Money Appropriated in this Bill:**

11 None

12 **Other Special Clauses:**

13 This bill provides retrospective operation.

15 **AMENDS:**

16 **59-7-104** , as last amended by Laws of Utah 2024, Chapter 255 , as last amended by Laws of Utah
2024, Chapter 255

17 **59-7-201** , as last amended by Laws of Utah 2024, Chapter 255 , as last amended by Laws of Utah
2024, Chapter 255

HB0106

HB0106 compared with HB0106S01

18 **59-10-104** , as last amended by Laws of Utah 2024, Chapter 255 , as last amended by Laws of Utah
2024, Chapter 255

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

21 Section 1. Section **59-7-104** is amended to read:

22 **59-7-104. Tax -- Minimum tax.**

23 (1) Each domestic and foreign corporation, except a corporation that is exempt under Section 59-7-102,
shall pay an annual tax to the state based on the corporation's Utah taxable income for the taxable
year for the privilege of exercising the corporation's corporate franchise or for the privilege of doing
business in the state.

27 (2) The tax shall be [4.55] {4.45} 4.5% of a corporation's Utah taxable income.

28 (3) The minimum tax a corporation shall pay under this chapter is \$100.

29 Section 2. Section **59-7-201** is amended to read:

30 **59-7-201. Tax -- Minimum tax.**

31 (1) There is imposed upon each corporation, except a corporation that is exempt under Section
59-7-102, a tax upon the corporation's Utah taxable income for the taxable year that is derived from
sources within this state other than income for any period that the corporation is required to include
in the corporation's tax base under Section 59-7-104.

35 (2) The tax imposed by Subsection (1) shall be [4.55] {4.45} 4.5% of a corporation's Utah taxable
income.

37 (3) In no case shall the tax be less than \$100.

38 Section 3. Section **59-10-104** is amended to read:

39 **59-10-104. Tax basis -- Tax rate -- Exemption.**

40 (1) A tax is imposed on the state taxable income of a resident individual as provided in this section.

42 (2) For purposes of Subsection (1), for a taxable year, the tax is an amount equal to the product of:

44 (a) the resident individual's state taxable income for that taxable year; and

45 (b) [4.55] {4.45} 4.5%.

46 (3) This section does not apply to a resident individual exempt from taxation under Section
59-10-104.1.

48 Section 4. **Effective date.**

This bill takes effect on May 7, 2025.

HB0106 compared with HB0106S01

50 Section 5. **Retrospective Operation.**

This bill has retrospective operation for a taxable year beginning on or after .

2-24-25 5:10 PM