

# SB0071S02 compared with SB0071

~~{Omitted text}~~ shows text that was in SB0071 but was omitted in SB0071S02

inserted text shows text that was not in SB0071 but was inserted into SB0071S02

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**Social Security Tax Revisions**  
2025 GENERAL SESSION  
STATE OF UTAH  
**Chief Sponsor: Wayne A. Harper**  
House Sponsor:Walt Brooks

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<b>LONG TITLE</b>
<b>General Description:</b>
This bill modifies the individual income tax credit for social security benefits.
<b>Highlighted Provisions:</b>
This bill:
▸ <del>{removes the income limitations on}</del> <u>expands</u> eligibility for the social security benefits tax credit <u>by increasing the thresholds for the income-based phaseout</u> ; and
▸ makes technical changes.
<b>Money Appropriated in this Bill:</b>
None
<b>Other Special Clauses:</b>
This bill provides retrospective operation.
<b>AMENDS:</b>
<b>59-10-1042</b> , as last amended by Laws of Utah 2023, Chapter 459 , as last amended by Laws of Utah 2023, Chapter 459

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SB0071

## SB0071 compared with SB0071S02

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

Section 1. Section **59-10-1042** is amended to read:

### **59-10-1042. Nonrefundable tax credit for social security benefits.**

(1) As used in this section{~~[( )]~~} ~~,"social security benefit" means an amount received by a claimant as a monthly benefit in accordance with the Social Security Act, 42 U.S.C. Sec. 401 et seq.~~

{(a) "Head of household filing status" means the same as that term is defined in Section 59-10-1018.}

{(b) "Joint filing status" means the same as that term is defined in Section 59-10-1018.}

{(c) "Married filing separately status" means a married individual who:}

{(i) does not file a single federal individual income tax return jointly with that married individual's spouse for the taxable year; and}

{(ii) files a single federal individual income tax return for the taxable year.}

{(d) "Modified adjusted gross income" means the sum of the following for a claimant or, if the claimant's return under this chapter is allowed a joint filing status, the claimant and the claimant's spouse:}

{(i) adjusted gross income for the taxable year for which a tax credit is claimed under this section;}

{(ii) any interest income that is not included in adjusted gross income for the taxable year described in Subsection (1)(d)(i); and}

{(iii) any addition to adjusted gross income required by Section 59-10-114 for the taxable year described in Subsection (1)(d)(i).}

{(e) "Single filing status" means a single individual who files a single federal individual income tax return for the taxable year.}

{(f) "Social security benefit" means an amount received by a claimant as a monthly benefit in accordance with the Social Security Act, 42 U.S.C. Sec. 401 et seq.}

(2) Except as provided in Section 59-10-1002.2 and {Subsections (3) and (4), each claimant on a return{~~[( )]~~} ~~Subsection (3), a claimant~~} that receives a social security benefit may claim a nonrefundable tax credit against taxes otherwise due under this part equal to the product of:

(a) the percentage listed in Subsection 59-10-104(2); and

(b) the claimant's social security benefit that is included in [adjusted gross income on the claimant's federal income tax return] the claimant's state taxable income for the taxable year.

(3) A claimant may not:

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(a) carry forward or carry back the amount of a tax credit under this section that exceeds the claimant's tax liability for the taxable year; or

(b) claim a tax credit under this section for a taxable year if a tax credit under Section 59-10-1019 is claimed on the claimant's return for the same taxable year.

{(4) The tax credit allowed by Subsection (2) claimed on a return filed under this part shall be reduced by \$.025 for each dollar by which modified adjusted gross income for purposes of the return exceeds:}

{(a) for a federal individual income tax return that is allowed a married filing separately status, }~~[\$37,500]~~ \$45,000{;}

{(b) for a federal individual income tax return that is allowed a single filing status, }~~[\$45,000]~~ \$54,000{;}

{(c) for a federal individual income tax return that is allowed a head of household filing status, }~~[\$75,000]~~ \$90,000{; or}

{(d) for a return under this chapter that is allowed a joint filing status, }~~[\$75,000]~~ \$90,000{;}

{(5)} {~~(4)~~} In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules governing the calculation and method for claiming the tax credit described in this section.

### Section 2. **Effective date.**

Effective date.

This bill takes effect on May 7, 2025.

### Section 3. **Retrospective Operation.**

Retrospective operation.

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

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