

**Income Tax Revisions**  
2025 GENERAL SESSION  
STATE OF UTAH

**Chief Sponsor: Kay J. Christofferson**

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**LONG TITLE**

**General Description:**

This bill amends income tax provisions.

**Highlighted Provisions:**

This bill:

- amends the corporate franchise and income tax rates; and
- amends the individual income tax rate.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides retrospective operation.

**Utah Code Sections Affected:**

AMENDS:

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

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

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

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

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

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

- (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.
- (2) The tax shall be [4.55] 4.45% of a corporation's Utah taxable income.
- (3) The minimum tax a corporation shall pay under this chapter is \$100.

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

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

- (1) There is imposed upon each corporation, except a corporation that is exempt under

32 Section 59-7-102, a tax upon the corporation's Utah taxable income for the taxable year  
33 that is derived from sources within this state other than income for any period that the  
34 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% of a corporation's Utah taxable  
36 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  
41 section.

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

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

45 (b) [~~4.55~~] 4.45%.

46 (3) This section does not apply to a resident individual exempt from taxation under Section  
47 59-10-104.1.

48 Section 4. **Effective date.**

49 This bill takes effect on May 7, 2025.

50 Section 5. **Retrospective operation.**

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

52 January 1, 2025.