

Child Tax Credit Amendments
 2025 GENERAL SESSION
 STATE OF UTAH
Chief Sponsor: Mark A. Strong
 Senate Sponsor:

LONG TITLE

General Description:

This bill modifies the individual income tax credit for child dependents.

Highlighted Provisions:

This bill:

- allows a taxpayer to claim the nonrefundable child tax credit for child dependents under one year old and up to five years old.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill has retrospective operation.

Utah Code Sections Affected:

AMENDS:

59-10-1047, as last amended by Laws of Utah 2024, Chapter 235

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

Section 1. Section **59-10-1047** is amended to read:

59-10-1047 . Nonrefundable child tax credit.

(1) As used in this section:

- (a) "Joint filing status" means the same as that term is defined in Section 59-10-1018.
- (b) "Head of household 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 federal individual income tax return is allowed a joint filing status,

- 31 the claimant and the claimant's spouse:
- 32 (i) adjusted gross income for the taxable year for which a tax credit is claimed under
33 this section;
- 34 (ii) any interest income that is not included in adjusted gross income for the taxable
35 year described in Subsection (1)(d)(i); and
- 36 (iii) any addition to adjusted gross income required by Section 59-10-114 for the
37 taxable year described in Subsection (1)(d)(i).
- 38 (e) "Qualifying child" means an individual:
- 39 (i) with respect to whom the claimant is allowed to claim a tax credit under Section
40 24, Internal Revenue Code, on the claimant's federal individual income tax return
41 for the taxable year; and
- 42 (ii) who is [~~at least one year old and younger than five~~] under six years old on the last
43 day of the claimant's taxable year.
- 44 (f) "Single filing status" means a single individual who files a single federal individual
45 income tax return for the taxable year.
- 46 (2) Subject to Subsection 59-10-1002.2, a claimant may claim a nonrefundable tax credit of
47 \$1,000 for each qualifying child.
- 48 (3) A claimant may not carry forward or carry back the amount of the tax credit that
49 exceeds the claimant's tax liability.
- 50 (4) The tax credit allowed by Subsection (2) claimed on a return filed under this part shall
51 be reduced by \$.10 for each dollar by which modified adjusted gross income for
52 purposes of the return exceeds:
- 53 (a) for a federal individual income tax return that is allowed a married filing separately
54 status, \$27,000;
- 55 (b) for a federal individual income tax return that is allowed a single filing status or head
56 of household filing status, \$43,000; and
- 57 (c) for a federal individual income tax return that is allowed a joint filing status, \$54,000.

58 **Section 2. Effective Date.**

59 This bill takes effect on May 7, 2025.

60 **Section 3. Retrospective operation.**

61 This bill has retrospective operation for a taxable year beginning on or after January 1,
62 2025.