

SB0054S03 compared with SB0054

~~{Omitted text}~~ shows text that was in SB0054 but was omitted in SB0054S03

inserted text shows text that was not in SB0054 but was inserted into SB0054S03

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1 **Carson Smith Opportunity Scholarship Program Amendments**
2026 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Lincoln Fillmore
House Sponsor: R. Neil Walter



2
3 **LONG TITLE**

4 **General Description:**

5 This bill amends ~~{requirements for the Carson Smith Opportunity Scholarship Program (the~~
~~scholarship)}~~ provisions of certain scholarship programs.

6 **Highlighted Provisions:**

7 This bill:

- 9 ▶ eliminates income based eligibility requirements for the scholarship;
- 10 ▶ removes scholarship eligibility for a sibling;
- 11 ▶ aligns the scholarship requirements with the Utah Fits All Scholarship Program ~~{by:}~~ ;
- 12 • ~~{allowing}~~ allows the scholarship granting organization to approve qualified providers and private schools;
- 14 • ~~{requiring}~~ requires the scholarship granting organization to ensure physical education and extracurricular caps are followed;
- 16 • ~~{amending}~~ amends the definition of scholarship expense to be the same across multiple scholarship programs;
- 18 • ~~{establishing}~~ establishes primary residency verification to be eligible for a scholarship;

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- 19 • ~~{creating}~~ creates a deadline for an eligible student to accept the scholarship that the
scholarship granting organization determines; ~~{and~~
- 21 • ~~clarifying}~~ clarifies entities that are not eligible to be a qualified provider under the
scholarship program; and
- 23 ▸ makes technical and conforming changes.

23 **Money Appropriated in this Bill:**

24 None

25 **Other Special Clauses:**

26 This bill provides retrospective operation.

27 **Utah Code Sections Affected:**

28 AMENDS:

29 **53E-7-401 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 466

30 **53E-7-402 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 466

31 **53E-7-404 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 466

32 **53E-7-405 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 466

33 **53E-7-407 ~~{{Effective 01/01/27}}~~(Effective 05/06/26)**, as last amended by Laws of Utah 2024,
Chapter 466

34 **53E-7-408 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 466

35 **53E-7-408.5 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 466

36 **59-1-403 ~~{{Effective 05/06/26}}~~ ~~{{Partially Repealed 07/01/29}}~~(Effective 05/06/26) (Applies
beginning 01/01/26) (Partially Repealed 07/01/29)**, as last amended by Laws of Utah 2025,
Chapters 182, 323, 400, and 498

38 **59-7-625 (Effective 05/06/26) (Applies beginning 01/01/26), as last amended by Laws of**
Utah 2024, Chapter 466

40 **59-10-1041 (Effective 05/06/26) (Applies beginning 01/01/26), as last amended by Laws of**
Utah 2024, Chapter 466

42

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

44 Section 1. Section **53E-7-401** is amended to read:

45 **53E-7-401. Definitions.**

 As used in this part:

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- 44 (1) "The Carson Smith Opportunity Scholarship Program" or "program" means the program established
in Section 53E-7-402.
- 46 (2) "Eligible student" means[:]
- 47 [(a)] a student who:
- 48 [(i)] (a) is:
- 49 [(A)] (i) eligible to participate in public school, in kindergarten, or grades 1 through 12;
- 51 [(B)] (ii) enrolled in a qualifying school as defined in Subsection [(11)] (10);
- 52 [(C)] (iii) a home-based scholarship student as defined in Subsection [(6)] (4); or
- 53 [(D)] (iv) at least three years old before September 2 of the year the scholarship is awarded;
- 55 [(i)] (b) is a primary resident of the state;
- 56 [(iii)] (c) has a qualified disability identified under 20 U.S.C. Sec. 140(3) as determined by:
- 58 [(A)] (i) having an IEP within the previous three years; or
- 59 [(B)] (ii) a multidisciplinary team evaluation described in Subsection [(7)] (5); and]
- 60 [(iv)] (d) during the school year for which the student is applying for the scholarship, is not:
- 62 [(A)] (i) a student who receives a scholarship under the legacy Carson Smith Scholarship Program
created in Section 53F-4-302; or]
- 64 (ii) a student who receives a scholarship under the Utah Fits All Scholarship Program created in Section
53F-4-302; or
- 66 [(B)] (iii) enrolled as a public school student; or]
- 67 (e) provides verification of primary residence in this state, through a parent's income tax records, utility
bill, lease agreement, or property tax records; and
- 69 (f) for out-of-state military families through a parent attestation, is not enrolled in a public school
elsewhere while receiving the scholarship.
- 71 [(b) a student who:]
- 72 [(i) meets the requirement of Subsections (2)(a)(i) and (ii); and]
- 73 [(ii) is a sibling of and resides in the same household as a student described in Subsection (2)(a) if:]
- 75 [(A) the student described in Subsection (2)(a) is a scholarship student and has verified enrollment or
intent to enroll at a qualifying school or participate in services provided by a qualifying provider;
and]
- 78 [(B) the sibling is applying for a scholarship to attend the same qualifying school or participate in the
same services provided by a qualifying provider.]

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- 80 (3)
- (a) "Employee" means an individual working in a position in which the individual's salary, wages, pay, or compensation, including as a contractor, is paid from:
- 82 (i) program donations to a scholarship granting organization; or
- 83 (ii) scholarship money allocated to a qualifying school or qualifying provider by a scholarship granting organization under Section 53E-7-405.
- 85 (b) "Employee" does not include an individual who volunteers at the scholarship granting organization, qualifying school, or qualifying provider.
- 87 ~~[(4) "Family income" means the annual income of the parent, parents, legal guardian, or legal guardians with whom a scholarship student lives.]~~
- 89 ~~[(5) "Federal poverty level" means the poverty level as defined by the most recently revised poverty income guidelines published by the United States Department of Health and Human Services in the Federal Register.]~~
- 92 ~~[(6)] (4) "Home-based scholarship student" means a student who:~~
- 93 (a) is eligible to participate in public school, in kindergarten or grades 1 through 12;
- 94 (b) ~~[is-] attests to being excused from enrollment in an LEA [in accordance with Section 53G-6-204]~~to attend a home school; and
- 96 (c) receives a benefit from a scholarship under the program.
- 97 ~~[(7)] (5) "Multidisciplinary evaluation team" means two or more individuals:~~
- 98 (a) who are qualified in two or more separate disciplines or professions; and
- 99 (b) who evaluate a child.
- 100 ~~[(8)] (6) "Officer" means:~~
- 101 (a) a member of the board of a scholarship granting organization, qualifying school, or qualifying provider; or
- 103 (b) the chief administrative officer of a scholarship granting organization , qualifying school, or qualifying provider.
- 105 (7) "Primary residence" means the one location where an individual resides for the majority of the year.
- 107 ~~[(9)] (8) "Program donation" means a donation to the program under Section 53E-7-405.~~
- 108 ~~[(10)] (9) "Qualifying provider" means:~~
- 109 (a) an entity that:
- 110

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- (i) is not a public school and is autonomous and not an agent of the state, in accordance with Section 53E-7-406; and
- 112 (ii) meets the requirement described in Section 53E-7-403; and
- 113 (b) ~~[is]~~ an eligible service provider approved by the scholarship granting organization in accordance with Section 53E-7-408.5.
- 115 ~~[(H)]~~ (10) "Qualifying school" means a private school that:
- 116 (a) provides kindergarten, elementary, or secondary education;
- 117 (b) is approved by the state board under Section 53E-7-408; and
- 118 (c) meets the requirements described in Section 53E-7-403.
- 119 ~~[(H2)]~~ (11) "Relative" means a father, mother, husband, wife, son, daughter, sister, brother, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, or daughter-in-law.
- 122 ~~[(H3)]~~ (12) "Scholarship" means a grant awarded to an eligible student:
- 123 (a) by a scholarship granting organization out of program donations and appropriations the Legislature provides; and
- 125 (b) for the purpose of paying for a scholarship expense.
- 126 ~~[(H4)]~~ (13)
- (a) "Scholarship expense" means an expense that a parent or eligible student incurs in the education of the eligible student for goods or a service that a qualifying school or qualifying provider provides or facilitates, including:
- 129 ~~[(a)]~~ (i) published tuition and fees of a qualifying school or qualifying provider;
- 130 ~~[(b)]~~ (ii) fees and instructional materials at a technical college;
- 131 ~~[(c)]~~ (iii) tutoring services;
- 132 ~~[(d)]~~ (iv) fees for after-school or summer education programs;
- 133 ~~[(e)]~~ (v) textbooks, curricula, or other instructional materials, including any supplemental materials or associated online instruction that a curriculum, qualifying provider, or a qualifying school recommends;
- 136 ~~[(f)]~~ (vi) educational software and applications;
- 137 ~~[(g)]~~ (vii) supplies or other equipment related to an eligible student's educational needs;
- 139 ~~[(h)]~~ (viii) computer hardware or other technological devices that are intended primarily for an eligible student's educational needs;

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- 141 ~~[(i)]~~ (ix) fees for the following examinations, or for a preparation course for the following
 examinations, that the scholarship granting organization approves:
- 143 ~~[(i)]~~ (A) a national norm-referenced or standardized assessment described in Section 53F-6-410, an
 advanced placement examination, or another similar assessment;
- 146 ~~[(ii)]~~ (B) a state-recognized industry certification examination; and
- 147 ~~[(iii)]~~ (C) an examination related to college or university admission;
- 148 ~~[(j)]~~ (x) educational services for students with disabilities from a licensed or accredited practitioner
 or provider, including occupational, behavioral, physical, audiology, or speech-language
 therapies, or other licensed or accredited practitioners approved by the scholarship granting
 organization;
- 152 ~~[(k)]~~ (xi) contracted services that the scholarship granting organization approves and that an LEA
 provides, including individual classes, after-school tutoring services, transportation, or fees
 or costs associated with participation in extracurricular activities, as long as the LEA does not
 require the scholarship student to enroll to participate;
- 157 ~~[(l)]~~ (xii) ride fees or fares for a fee-for-service transportation provider to transport the eligible
 student to and from a qualifying school or qualifying provider, not to exceed \$750 in a given
 school year;
- 160 ~~[(m)]~~ (xiii)
(A) expenses related to extracurricular activities, field trips, educational supplements, physical
 education experiences, and other educational experiences not to exceed 20% of the total scholarship
 amount; ~~[(n)]~~ and
- 163 (B) the 20% maximum for expenses related to extracurricular activities and physical education
 described in Subsection (13)(a)(xiii)(A) does not apply to expenses related to physical therapy
 expenses;
- 166 (xiv) physical therapy expenses that are required to facilitate educational services; or
- 167 ~~[(n)]~~ (xv) expenses the scholarship granting organization approves in accordance with Subsection
 53E-7-405(3).
- 169 (b) Scholarship expense does not include:
- 170 (i) chaperone expenses;
- 171 (ii) season tickets, annual passes, or subscriptions to entertainment venues; and
- 172 (iii) the purchase of furniture.

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- 173 [(15)] (14) "Scholarship granting organization" means an organization that is:
174 (a) qualified as tax exempt under Section 501(c)(3), Internal Revenue Code; and
175 (b) recognized through an agreement with the state board as a scholarship granting organization, as
described in Section 53E-7-404.
- 177 [(16)] (15) "Scholarship student" means an eligible student, including a home-based scholarship
student, who receives a scholarship under this part.
- 179 [(17)] (16) "Value of the weighted pupil unit" means the amount established each year in the enacted
public education budget that is multiplied by the number of weighted pupil units to yield the funding
level for the basic state-supported school program.
- 185 Section 2. Section **53E-7-402** is amended to read:
186 **53E-7-402. Carson Smith Opportunity Scholarship Program.**
- 184 (1) There is established the Carson Smith Opportunity Scholarship Program under which a parent may
apply to a scholarship granting organization on behalf of the parent's student for a scholarship to
help cover the cost of a scholarship expense.
- 187 (2)
- [a] A scholarship granting organization shall award, in accordance with this part, scholarships to
eligible students.
- 189 [(b) In awarding scholarships, a scholarship granting organization shall give priority to an eligible
student described in Subsection 53E-7-401(1)(a) by:]
- 191 [(i) establishing an August 10 deadline for an eligible student described in Subsection 53E-7-401(1)(b)
to apply for a scholarship; and]
- 193 [(ii) awarding a scholarship to an eligible student described in Subsection 53E-7-401(2)(b) only if funds
exist after awarding scholarships to all eligible students described in Subsection 53E-7-401(2)(a)
who have applied and qualify.]
- 196 [(e) Subject to available funds, a scholarship awarded to an eligible student described in Subsection
53E-7-401(2)(b) shall be for a similar term as a scholarship awarded to the eligible student's
sibling.]
- 199 (3) A scholarship granting organization shall determine a full-year scholarship award to pay for the cost
of one or more scholarship expenses in an amount not more than[:]
- 201 [(a) for an eligible student described in Subsection 53E-7-401(2)(a)] , for a student who is:
203

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- 205 [(i)] (a) in kindergarten through grade 12~~[-and whose family income is:]~~ , the value of the weighted pupil unit multiplied by 2.5; and
- 207 [(A) ~~at or below 185% of the federal poverty level, the value of the weighted pupil unit multiplied by 2.5;]~~
- 209 [(B) ~~except as provided in Subsection (3)(a)(i)(C), above 185% of the federal poverty level, the value of the weighted pupil unit multiplied by two; or]~~
- 213 [(C) ~~above 185% of the federal poverty level and the eligible student would have received an average of 180 minutes per day or more of special education services in a public school before transferring to a private school, the value of the weighted pupil unit multiplied by 2.5; or]~~
- 214 [(ii)] (b) in preschool~~[-]~~ :
- 215 (i) for full-time enrollment, the value of the weighted pupil unit; or
- 216 (ii) for part-time enrollment, the value of the weighted pupil unit multiplied by 0.55.
- 218 [(b) ~~for an eligible student described in Subsection 53E-7-401(2)(b), half the value of the weighted pupil unit.]~~
- 219 (4)
- 221 (a) A scholarship granting organization shall:
- 223 (i) establish and communicate to an eligible student a deadline by which the eligible student must accept or deny the scholarship offer; and
- 226 (ii) communicate to an eligible student that failure to respond by the deadline described in (4)(a)(i) may result in forfeiture of the scholarship offer.
- 228 (b) The State Tax Commission may, upon request, provide state individual income tax information to a scholarship granting organization for residence verification purposes regarding a given individual if:
- 231 (i) the individual voluntarily provides the individual's social security number to the scholarship granting organization; and
- 233 (ii) the individual consents in writing to the sharing of state individual income tax and residence information solely for the purpose of residency verification purposes.
- 231 (c) The State Tax Commission shall create and implement a residency verification process and tool to facilitate this verification process.
- 233 [(4)] (5) Eligibility for a scholarship as determined by a multidisciplinary evaluation team under this program does not establish eligibility for an IEP under the Individuals with Disabilities Education

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Act, Subchapter II, 20 U.S.C. Secs. 1400 to 1419, and is not binding on any LEA that is required to provide an IEP under the Individuals with Disabilities Education Act.

238 [(5)] (6) The scholarship granting organizations shall prepare and disseminate information on the
243 program to a parent applying for a scholarship on behalf of a student.

244 Section 3. Section **53E-7-404** is amended to read:

245 **53E-7-404. State board duties.**

246 (1) The state board shall:

247 (a) publish on the state board's website:

248 (i) information about the program; and

249 (ii) information about each scholarship granting organization;

250 (b) conduct a financial review or audit of a scholarship granting organization, if the state board receives
251 evidence of fraudulent practice by the scholarship granting organization;

252 (c) conduct a criminal background check on each scholarship granting organization employee and
253 scholarship granting organization officer;

254 (d) establish uniform financial accounting standards for scholarship granting organizations; and

255 (e) in accordance with Section 53E-1-202.1, annually submit a report on the program to the Public
256 Education Appropriations Subcommittee that includes:

257 (i) administrative costs of the program;

258 (ii) the number of scholarship students that are eligible students [~~described in Subsection 53E-7-401(2)~~
259 ~~(a) and the number of scholarship students that are eligible students described in Subsection~~
260 ~~53E-7-401(2)(b)~~] from each school district;

261 (iii) standards used by the scholarship granting organization to determine whether a student is an
262 eligible student; and

263 (iv) savings to the state and LEAs as a result of scholarship students exiting the public school system.

264 (2)

265 (a) In accordance with Subsection (3) and Title 63G, Chapter 6a, Utah Procurement Code, the state
266 board shall issue a request for proposals and enter into at least one agreement with an organization
267 that is qualified as tax exempt under Section 501(c)(3), Internal Revenue Code, to be recognized by
268 the state board as a scholarship granting organization.

269 (b) An organization that responds to a request for proposals described in Subsection (2)(a) shall submit
the following information in the organization's response:

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- 271 (i) a copy of the organization's incorporation documents;
- 272 (ii) a copy of the organization's Internal Revenue Service determination letter qualifying the
organization as being tax exempt under Section 501(c)(3), Internal Revenue Code;
- 275 (iii) a description of the methodology the organization will use to verify that a student is an eligible
student under this part; and
- 277 (iv) a description of the organization's proposed scholarship application process.
- 278 (3)
- (a) The state board shall enter into an agreement described in Subsection (2)(a) with one scholarship
granting organization on or before January 1, 2021.
- 280 (b) The state board may enter into an agreement described in Subsection (2)(a) with additional
scholarship granting organizations after January 1, 2023, if the state board makes rules regarding
how multiple scholarship granting organizations may issue tax credit certificates in accordance with
Section 53E-7-407.
- 284 (c)
- (i) No later than 10 days after the day on which the state board enters into an agreement with a
scholarship granting organization, the state board shall forward the name and contact information of
the scholarship granting organization to the State Tax Commission.
- 288 (ii) If, under Subsection (4)(c)(i), the state board bars a scholarship granting organization from further
participation in the program, the state board shall, no later than 10 days after the day on which the
state board bars the scholarship granting organization, forward the name and contact information of
the barred scholarship granting organization to the State Tax Commission.
- 293 (4)
- (a) If the state board determines that a scholarship granting organization has violated a provision of
this part or state board rule, the state board shall send written notice to the scholarship granting
organization explaining the violation and the remedial action required to correct the violation.
- 297 (b) A scholarship granting organization that receives a notice described in Subsection (4)(a) shall, no
later than 60 days after the day on which the scholarship granting organization receives the notice,
correct the violation and report the correction to the state board.
- 301 (c)

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- (i) If a scholarship granting organization that receives a notice described in Subsection (4)(a) fails to correct a violation in the time period described in Subsection (4)(b), the state board may bar the scholarship granting organization from further participation in the program.
- 305 (ii) A scholarship granting organization may appeal a decision made by the state board under
Subsection (4)(c)(i) in accordance with Title 63G, Chapter 4, Administrative Procedures Act.
- 308 (d) A scholarship granting organization may not accept program donations while the scholarship
granting organization:
- 310 (i) is barred from participating in the program under Subsection (4)(c)(i); or
311 (ii) has an appeal pending under Subsection (4)(c)(ii).
- 312 (e) A scholarship granting organization that has an appeal pending under Subsection (4)(c)(ii) may
continue to administer scholarships from previously donated program donations during the pending
appeal.
- 315 (5) The state board shall provide for a process for a scholarship granting organization to report
information as required under Section 53E-7-405.
- 317 (6) The state board shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative
Rulemaking Act, to administer the program, including rules for:
- 319 (a) the administration of scholarships to a qualifying school or qualifying provider receiving scholarship
money from a scholarship granting organization that is barred from participating in the program
under Subsection (4)(c)(i);
- 322 (b) when an eligible student does not continue in enrollment at a qualifying school or participation in
services provided by a qualifying provider:
- 324 (i) requiring the scholarship granting organization to:
- 325 (A) notify the state board; and
326 (B) obtain reimbursement of scholarship money from the qualifying school in which the eligible student
is no longer enrolled or qualifying provider in which the eligible student is no longer participating;
and
- 329 (ii) requiring the qualifying school or qualifying provider in which the eligible student is no longer
enrolled to reimburse scholarship money to the scholarship granting organization;
- 332 (c) audit and report requirements as described in Section 53E-7-405; and
333 (d) requiring the scholarship granting organization, in accordance with the Family Educational Rights
and Privacy Act, 20 U.S.C. Sec. 1232g, to submit to the state board:

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- 336 (i) the number of scholarship students that are eligible students [~~described in Subsection 53E-7-401(2)~~
337 ~~(a) and the number of scholarship students that are eligible students described in Subsection~~
338 ~~53E-7-401(2)(b)~~] from each school district;
- 340 (ii) standards used to determine whether a student is an eligible student; and
- 341 (iii) any other information requested by the Public Education Appropriations Subcommittee for the state
342 board to include in the annual report described in Section 53E-1-202.1.

343 Section 4. Section **53E-7-405** is amended to read:

344 **53E-7-405. Program donations -- Scholarship granting organization requirements --**

345 **Legislative appropriations.**

- 346 (1) A person that makes a donation to a scholarship granting organization to help fund scholarships
347 through the program may be eligible to receive a nonrefundable tax credit as described in Sections
348 59-7-625 and 59-10-1041.
- 349 (2) In accordance with Section 53E-7-404, an organization may enter into an agreement with the state
350 board to be a scholarship granting organization.
- 351 (3) A scholarship granting organization shall:
- 352 (a) accept program donations and allow a person that makes a program donation to designate a
353 qualifying school or qualifying provider to which the donation shall be directed for scholarships;
- 354 (b) adopt an application process in accordance with Subsection (5);
- 355 (c) review scholarship applications and determine scholarship awards;
- 356 (d) allocate scholarship money to a scholarship student's parent or, on the parent's behalf, to a qualifying
357 school or qualifying provider in which the scholarship student is enrolled or participates;
- 358 (e) adopt a process, with state board approval, that allows a parent to use a scholarship to pay for a
359 nontuition scholarship expense for the scholarship student;
- 360 (f) ensure that during the state fiscal year:
- 361 (i) at least 92% of the scholarship granting organization's revenue from program donations and other
362 funding sources are spent on scholarships;
- 363 (ii) up to 5% of the scholarship granting organization's revenue from program donations and other
364 funding sources are spent on administration of the program;
- 365 (iii) up to 3% of the scholarship granting organization's revenue from program donations and other
366 funding sources are spent on marketing and fundraising costs; and
- 367 (iv) all revenue from interest or investments is spent on scholarships;
- 371

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- 372 (g) carry forward no more than 60% of the scholarship granting organization's funds, less funds for a
scholarship that has been awarded, and funds expended for administration and marketing, from the
state fiscal year in which the scholarship granting organization received the funds to the following
state fiscal year;
- 376 (h) at the end of a state fiscal year, remit to the state treasurer donation amounts greater than the amount
described in Subsection (3)(g);
- 378 (i) prohibit a scholarship granting organization employee or officer from handling, managing, or
processing program donations or other funds, if, based on a criminal background check conducted
by the state board in accordance with Section 53E-7-404, the state board identifies the employee or
officer as posing a risk to the appropriate use of program donations or other funds;
- 383 (j) ensure that a scholarship can be transferred during the school year to a different qualifying school or
qualifying provider that accepts the scholarship student;
- 385 (k) report to the state board on or before November 1 of each year the following information, prepared
by a certified public accountant:
- 387 (i) the name and address of the scholarship granting organization;
- 388 (ii) the total number and total dollar amount of program donations and other funding sources that the
scholarship granting organization received during the previous calendar year;
- 391 (iii)
[~~(A)~~] the total number and total dollar amount of scholarships the scholarship granting organization
awarded during the previous state fiscal year to eligible students [~~described in Subsection~~
53E-7-401(2)(a)]; and
- 394 [~~(B) the total number and total dollar amount of scholarships the scholarship granting organization~~
awarded during the previous state fiscal year to eligible students described in Subsection
53E-7-401(2)(b); and]
- 397 (iv) the percentage of first-time scholarship recipients who were enrolled in a public school during the
previous school year or who entered kindergarten or a higher grade for the first time in [~~Utah~~] this
state;
- 400 (l) issue tax credit certificates as described in Section 53E-7-407; [~~and~~]
- 401 (m)
- (i) require a parent to notify a scholarship granting organization if the parent's scholarship recipient:
- 403 (A) receives scholarship money for tuition expenses; and

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- 404 (B) does not have continuing enrollment and attendance at a qualifying school; or
- 405 (ii) has transitioned to be a home-based student[-] ;
- 406 (n) verify an applicants Utah residency through:
- 407 (i) the State Tax Commission as described in Section 53E-7-402; or
- 408 (ii) at least two forms of documentation, including a:
- 409 (A) current Utah drivers license;
- 410 (B) valid Utah voter registration card;
- 411 (C) utility bill dated within the last 60 days;
- 412 (D) current Utah vehicle registration; or
- 413 (E) Utah tax return from the previous year;
- 414 (o) ensure that combined expenses from extracurricular activities and physical education do not exceed
20% of the total scholarship amount;
- 416 (p) facilitate an appeals process for denied reimbursements;
- 417 (q) be prohibited from charging any processing fees to an eligible student or pass on third-party fees
related to the use or management of scholarship funds; and
- 419 (r) conduct an annual independent audit and publicly disclose all third-party contracts and fees.
- 421 (4) The state treasurer shall deposit the money described in Subsection (3)(h) into the Income Tax Fund.
- 423 (5)
- (a) An application for a scholarship shall contain an acknowledgment by the applicant's parent that the qualifying school or qualifying provider selected by the parent for the applicant to attend or participate in using a scholarship is capable of providing the level of disability services required for the student.
- 427 (b) A scholarship application form shall contain the following statement:
- 428 "I acknowledge that:
- 429 (1) A private school may not provide the same level of disability services that are provided in a public school;
- 431 (2) I will assume full financial responsibility for the education of my scholarship recipient if I accept this scholarship;
- 433 (3) Acceptance of this scholarship has the same effect as a parental refusal to consent to services as described in 24 C.F.R. Sec. 300.300, issued under the Individuals with Disabilities Education Act, 20 U.S.C. Sec. 1400 et seq.; and

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- 436 (4) My child may return to a public school at any time."
- 437 (c) Upon acceptance of a scholarship, the parent assumes full financial responsibility for the education
of the scholarship recipient.
- 439 (d) Acceptance of a scholarship has the same effect as a parental refusal to consent to services as
described in 24 C.F.R. Sec. 300.300, issued under the Individuals with Disabilities Education Act,
20 U.S.C. Sec. 1400 et seq.
- 442 (e) The creation of the program or granting of a scholarship does not:
- 443 (i) imply that a public school did not provide a free and appropriate public education for a student; or
- 445 (ii) constitute a waiver or admission by the state.
- 446 (6) A scholarship granting organization shall demonstrate the scholarship granting organization's
financial accountability by annually submitting to the state board a financial information report that:
- 449 (a) complies with the uniform financial accounting standards described in Section 53E-7-404; and
- 451 (b) is prepared by a certified public accountant.
- 452 (7)
- (a) [~~If a scholarship granting organization allocates \$500,000 or more in scholarships annually through
the program, the~~] The scholarship granting organization shall:
- 454 (i) contract for an annual audit, conducted by a certified public accountant who is independent
from:
- 456 (A) the scholarship granting organization; and
- 457 (B) the scholarship granting organization's accounts and records pertaining to program donations and
other funding sources; and
- 459 (ii) in accordance with Subsection (7)(b), report the results of the audit to the state board for review.
- 461 (b) For the report described in Subsection (7)(a)(ii), the scholarship granting organization shall:
- 463 (i) include the scholarship granting organization's financial statements in a format that meets generally
accepted accounting standards; and
- 465 (ii) submit the report to the state board no later than November 1.
- 466 (c) The certified public accountant shall conduct an audit described in Subsection (7)(a)(i) in
accordance with generally accepted auditing standards and rules made by the state board.
- 469 (d)

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- (i) The state board shall review a report submitted under this section and may request that the scholarship granting organization revise or supplement the report if the report is not in compliance with the provisions of this Subsection (7) or rules adopted by the state board.
- 473 (ii) A scholarship granting organization shall provide a revised report or supplement to the report no later than 45 days after the day on which the state board makes a request described in Subsection (7) (d)(i).
- 476 (8)
- (a) A scholarship granting organization may not allocate scholarship money to a qualifying school or qualifying provider if:
- 478 (i) the scholarship granting organization determines that the qualifying school or qualifying provider intentionally or substantially misrepresented information on overpayment;
- 481 (ii) the qualifying school or qualifying provider fails to refund an overpayment in a timely manner;
- or
- 483 (iii) the qualifying school or qualifying provider routinely fails to provide scholarship recipients with promised educational goods or services.
- 485 (b) A scholarship granting organization shall notify a scholarship recipient if the scholarship granting organization stops allocation of the recipient's scholarship money to a qualifying school or qualifying provider under Subsection (8)(a).
- 488 (9) If a scholarship recipient transfers to another qualifying school or qualifying provider during the school year, the scholarship granting organization may prorate scholarship money between the qualifying schools or qualifying providers according to the time the scholarship recipient spends at each school or each provider.
- 492 (10) A scholarship granting organization may not:
- 493 (a) award a scholarship to a relative of the scholarship granting organization's officer; or
- 494 (b) allocate scholarship money to a qualifying school or qualifying provider at which the scholarship recipient has a relative who is an officer or an administrator of the qualifying school or qualifying provider.
- 497 (11) The Legislature may appropriate funds to the board to be distributed in an equal amount to each scholarship granting organization for the same purposes program donations are used.

503 Section 5. Section **53E-7-407** is amended to read:

504

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53E-7-407. ~~{(Effective 01/01/27)}~~(Effective 05/06/26) Tax credit certificates issued by a scholarship granting organization.

- 503 (1) In accordance with this section, a scholarship granting organization shall provide a tax credit
certificate, on a form provided by the State Tax Commission, to a person that makes a donation as
described in Section 53E-7-405.
- 506 (2)
- (a) The scholarship granting organization shall provide the information from a completed tax credit
certificate to the State Tax Commission electronically and in a manner prescribed by the State Tax
Commission on or before the end of each April following the close of the taxable year for which a
tax credit certificate is issued.
- 509 (b) A scholarship granting organization shall issue a tax credit certificate within 30 days after the day on
which a person makes a donation to the program.
- 511 (3)
- (a) Before accepting a donation to the program from a person, the scholarship granting organization
shall provide the person with notice:
- 513 (i) that the donation may not be eligible for a tax credit;
- 514 (ii) of the process described in Subsection (3)(b); and
- 515 (iii) of the total amount of tax credit certificates that the scholarship granting organization has
issued for the calendar year.
- 517 (b) During a calendar year, a scholarship granting organization shall:
- 518 (i) issue tax credit certificates in the order that the scholarship granting organization received a
corresponding donation; and
- 520 (ii) track the total amount of program donations received during the year as corresponding tax credit
certificates are issued.
- 522 (c) If a scholarship granting organization accepts a donation that, when added to the current total
amount of program donations received that year, will exceed the program donations cap described in
Subsection (4), the scholarship granting organization shall issue a tax credit certificate in the amount
that is the difference between the program donations cap and the total amount of program donations
received before the donation was received.
- 528 (4)
- (a) The program donations cap for the 2021 calendar year is \$5,940,000.

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- 529 (b) For a calendar year after 2021, the state board shall calculate the program donations cap as follows:
- 531 (i) if the total program donations for the previous calendar year exceed 90% of the cap amount for that
calendar year, the cap for the current calendar year is the cap amount for the previous calendar year
increased by 10% plus a percentage equal to the percentage of growth in the participation of the
program from the previous calendar year; or
- 536 (ii) if the total program donations for the previous calendar year did not exceed 90% of the cap amount
for that calendar year, the cap for the current calendar year is the same as the cap amount for the
previous calendar year.
- 539 (5) A person that receives a tax credit certificate in accordance with this section shall retain the
certificate for the same time period a person is required to keep books and records under Section
59-1-1406.
- 542 (6) ~~{ For the purposes of this section, a contribution }~~ Except as provided in Subsection (7), { for which
a } if a tax credit is { claimed } issued under this Section for a donation, { that is made on or before
the fifteenth day of the fourth month following the close of } the tax credit shall be issued for the
taxable year { may be applied to } in which the { current year } donation is made.
- 548 (7) Notwithstanding Subsection (6), if a tax credit is issued under this section for a donation, a tax credit
may be issued for the previous taxable year if:
- 550 (a) the donation is made on or before the fifteenth day of April following the end of the previous taxable
year;
- 552 (b) the person receiving the tax credit certifies in writing that they will not claim a deduction or credit
on their federal income tax return for the donation amount to the extent that they claim a tax credit
under Section 59-7-625 or Section 59-10-1041 for the same donation; and
- 556 (c) the scholarship granting organization includes in the report described in Subsection (2), the date the
donation was made.
- 558 (8) For purposes of calculating the donation cap described in Subsection (4), a tax credit amount shall
count against the donation cap for the year the tax credit may be claimed.
- 560 Section 6. Section **53E-7-408** is amended to read:
- 561 **53E-7-408. Eligible private schools.**
- 547 (1) To be eligible ~~[to enroll a scholarship student]~~ to receive scholarship funds on behalf of a
scholarship student as an eligible school, a private school shall:
- 549

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- (a) have a physical location in [~~Utah~~] the state where the scholarship students attend classes and have direct contact with the school's teachers;
- 551 (b)
- (i) contract with an independent licensed certified public accountant to conduct an Agreed Upon Procedures engagement as adopted by the state board, or obtain an audit and report from a licensed independent certified public accountant that conforms with the following requirements:
- 555 (A) the audit shall be performed in accordance with generally accepted auditing standards;
- 557 (B) the financial statements shall be presented in accordance with generally accepted accounting principles; and
- 559 (C) the audited financial statements shall be as of a period within the last 12 months; and
- 561 (ii) submit the audit report or report of the agreed upon procedure to the state board when the private school applies to accept scholarship [~~students~~] funds;
- 563 (c) comply with the antidiscrimination provisions of 42 U.S.C. 2000d;
- 564 (d) meet state and local health and safety laws and codes;
- 565 (e) provide a written disclosure to the parent of each prospective student, before the student is enrolled, of:
- 567 (i) the special education services that will be provided to the scholarship student, including the cost of those services;
- 569 (ii) tuition costs;
- 570 (iii) additional fees a parent will be required to pay during the school year; and
- 571 (iv) the skill or grade level of the curriculum in which the prospective student will participate;
- 573 (f)
- (i) administer an annual assessment of each scholarship student's academic progress; and
- 575 (ii) report the results of the assessment described in Subsection (1)(f)(i) to the scholarship student's parent;
- 577 (g) employ or contract with teachers who:
- 578 (i) hold baccalaureate or higher degrees;
- 579 (ii) have at least three years of teaching experience in public or private schools; or
- 580 (iii) have the necessary skills, knowledge, or expertise that qualifies the teacher to provide instruction:
- 582 (A) in the subject or subjects taught; and
- 583 (B) to the special needs students taught;

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- 584 (h) maintain documentation demonstrating that teachers at the private school meet the qualifications
described in Subsection (1)(g);
- 586 (i) require the following individuals to submit to a nationwide, fingerprint-based criminal background
check and ongoing monitoring, in accordance with Section 53G-11-402, as a condition for
employment or appointment, as authorized by the Adam Walsh Child Protection and Safety Act of
2006, Pub. L. No. 109-248:
- 590 (i) an employee who does not hold a current Utah educator license issued by the state board under
Chapter 6, Education Professional Licensure;
- 592 (ii) a contract employee; and
- 593 (iii) a volunteer who is given significant unsupervised access to a student in connection with the
volunteer's assignment; and
- 595 (j) provide to the parent of a scholarship student the relevant credentials of the teachers who will be
teaching the scholarship student.
- 597 (2) A private school described in Subsection (1) is not eligible to ~~enroll~~ receive scholarship
[students] funds if:
- 599 (a) the private school requires a student to sign a contract waiving the student's rights to transfer to
another qualifying school during the school year;
- 601 (b) the audit report submitted under Subsection (1)(b) contains a going concern explanatory paragraph;
- 603 (c) the report of the agreed upon procedures submitted under Subsection (1)(b) shows that the private
school does not have adequate working capital to maintain operations for the first full year, as
determined under Subsection (1)(b); or
- 606 (d) the private school charges a scholarship student more in tuition or fees than another student based
solely upon the scholarship student being a scholarship recipient under this part.
- 609 (3) Residential treatment facilities licensed by the state are not eligible to enroll scholarship students.
- 611 (4) A private school intending to enroll scholarship students and receive scholarship funds shall:
- 613 (a) submit an application to the state board.
- 614 (b) agree to not refund, rebate, or share scholarship funds with a scholarship student or scholarship
student's parent in any manner except for remittances or refunds processed through the scholarship
granting organization to a scholarship account in accordance with this part and procedures that the
scholarship granting organization establishes.
- 619 (5) The state board shall:

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- 620 (a) approve a private school's application to enroll scholarship students, if the private school meets the
eligibility requirements of this section; and
- 622 (b) publish on the state board's website, a list of private schools approved under this section.
- 624 (6) A private school approved under this section that changes ownership shall cease operation as an
eligible school until the private school:
- 626 (a) submit a new application to the state board; and
- 627 (b) [~~demonstrate~~] demonstrates that the private school continues to meet the eligibility requirements of
this section.
- 644 Section 7. Section **53E-7-408.5** is amended to read:
- 645 **53E-7-408.5. Eligible service provider.**
- 631 (1) To be an eligible service provider, a private program or service:
- 632 (a) shall provide to the scholarship granting organization:
- 633 (i) a federal employer identification number;
- 634 (ii) the provider's address and contact information;
- 635 (iii) a description of each program or service the provider proposes to offer directly to a scholarship
student; and
- 637 (iv) subject to Subsection (2), any other information as required by the scholarship granting
organization;
- 639 (b) shall comply with the antidiscrimination provisions of 42 U.S.C. Sec. 2000d; and
- 640 (c) may not act as a consultant, clearing house, or intermediary that connects a scholarship student
with or otherwise facilitates the student's engagement with a program or service that another entity
provides.
- 643 (2) The scholarship granting organization shall adopt policies that maximize the number of eligible
service providers, including accepting new providers throughout the school year, while ensuring
education programs or services provided through the program meet student needs and otherwise
comply with this part.
- 647 (3) A private program or service intending to receive scholarship funds shall:
- 648 (a) submit an application to the scholarship granting organization; [~~and~~]
- 649 (b) complete all required orientation programs established by the scholarship granting organization
before receiving any scholarship funds and maintain a current orientation status throughout
participation in the program; and

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652 [(b)] (c) agree to not refund, rebate, or share scholarship funds with scholarship students or scholarship
students' parents in any manner except remittances or refunds to a scholarship account in accordance
with this part and procedures that the program manager establishes.

656 (4) The scholarship granting organization shall:

657 (a) if the private program or service meets the eligibility requirements of this section, recognize the
private program or service as an eligible service provider and approve a private program or service's
application to receive scholarship funds on behalf of a scholarship student; and

661 (b) make available to the public a list of eligible service providers approved under this section.

663 (5) A private program or service approved under this section that changes ownership shall:

664 (a) cease operation as an eligible service provider until:

665 (i) the program or service submits a new application to the scholarship granting organization; and

667 (ii) the scholarship granting organization approves the new application; and

668 (b) demonstrate that the private program or service continues to meet the eligibility requirements of this
section.

670 (6) The following are not eligible service providers:

671 (a) a parent of a home-based scholarship student or a home school student solely in relation to the
parent's child; or

673 (b) any other individual that does not meet the requirements described in this section.

674 (7) Nothing prohibits an entity that provides education services under the Statewide Online Education
Program described in Title 53F, Chapter 4, Part 5, Statewide Online Education Program, from
operating as an eligible service provider under this part to provide education services to scholarship
students.

693 Section 8. Section **59-1-403** is amended to read:

694 **59-1-403. ~~{(Effective 05/06/26)}~~ ~~{(Partially Repealed 07/01/29)}~~ {Effective
05/06/26} (Applies beginning 01/01/26) (Partially Repealed 07/01/29) Confidentiality -- Exceptions
-- Penalty -- Application to property tax.**

681 (1) As used in this section:

682 (a) "Distributed tax, fee, or charge" means a tax, fee, or charge:

683 (i) the commission administers under:

684 (A) this title, other than a tax under Chapter 12, Part 2, Local Sales and Use Tax Act;

686 (B) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

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- 687 (C) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;
688 (D) Section 19-6-805;
689 (E) Section 63H-1-205; or
690 (F) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service Charges; and
692 (ii) with respect to which the commission distributes the revenue collected from the tax, fee, or charge
to a qualifying jurisdiction.
- 694 (b) "GOEO" means the Governor's Office of Economic Opportunity created in Section 63N-1a-301.
696 (c) "Qualifying jurisdiction" means:
697 (i) a county, city, or town;
698 (ii) the military installation development authority created in Section 63H-1-201;
699 (iii) the Utah Inland Port Authority created in Section 11-58-201; or
700 (iv) the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201.
702 (2)
- (a) Any of the following may not divulge or make known in any manner any information gained by that
person from any return filed with the commission:
704 (i) a tax commissioner;
705 (ii) an agent, clerk, or other officer or employee of the commission; or
706 (iii) a representative, agent, clerk, or other officer or employee of any county, city, or town.
- (b) An official charged with the custody of a return filed with the commission is not required to produce
the return or evidence of anything contained in the return in any action or proceeding in any court,
except:
711 (i) in accordance with judicial order;
712 (ii) on behalf of the commission in any action or proceeding under:
713 (A) this title; or
714 (B) other law under which persons are required to file returns with the commission;
716 (iii) on behalf of the commission in any action or proceeding to which the commission is a party; or
718 (iv) on behalf of any party to any action or proceeding under this title if the report or facts shown by the
return are directly involved in the action or proceeding.
- (c) Notwithstanding Subsection (2)(b), a court may require the production of, and may admit in
evidence, any portion of a return or of the facts shown by the return, as are specifically pertinent to
the action or proceeding.

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- 723 (d) Notwithstanding any other provision of state law, a person described in Subsection (2)(a) may not
divulge or make known in any manner any information gained by that person from any return filed
with the commission to the extent that the disclosure is prohibited under federal law.
- 727 (3) This section does not prohibit:
- 728 (a) a person or that person's duly authorized representative from receiving a copy of any return or report
filed in connection with that person's own tax;
- 730 (b) the publication of statistics as long as the statistics are classified to prevent the identification of
particular reports or returns; and
- 732 (c) the inspection by the attorney general or other legal representative of the state of the report or return
of any taxpayer:
- 734 (i) who brings action to set aside or review a tax based on the report or return;
- 735 (ii) against whom an action or proceeding is contemplated or has been instituted under this title; or
- 737 (iii) against whom the state has an unsatisfied money judgment.
- 738 (4)
- (a) Notwithstanding Subsection (2) and for purposes of administration, the commission may by rule,
made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, provide for a
reciprocal exchange of information with:
- 742 (i) the United States Internal Revenue Service; or
- 743 (ii) the revenue service of any other state.
- 744 (b) Notwithstanding Subsection (2) and for all taxes except individual income tax and corporate
franchise tax, the commission may by rule, made in accordance with Title 63G, Chapter 3, Utah
Administrative Rulemaking Act, share information gathered from returns and other written
statements with the federal government, any other state, any of the political subdivisions of
another state, or any political subdivision of this state, except as limited by Sections 59-12-209 and
59-12-210, if the political subdivision, other state, or the federal government grant substantially
similar privileges to this state.
- 752 (c) Notwithstanding Subsection (2) and for all taxes except individual income tax and corporate
franchise tax, the commission may by rule, in accordance with Title 63G, Chapter 3, Utah
Administrative Rulemaking Act, provide for the issuance of information concerning the identity and
other information of taxpayers who have failed to file tax returns or to pay any tax due.

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- (d) Notwithstanding Subsection (2), the commission shall provide to the director of the Division of Environmental Response and Remediation, as defined in Section 19-6-402, as requested by the director of the Division of Environmental Response and Remediation, any records, returns, or other information filed with the commission under Chapter 13, Motor and Special Fuel Tax Act, or Section 19-6-410.5 regarding the environmental assurance program participation fee.
- 763 (e) Notwithstanding Subsection (2), at the request of any person the commission shall provide that person sales and purchase volume data reported to the commission on a report, return, or other information filed with the commission under:
- 766 (i) Chapter 13, Part 2, Motor Fuel; or
- 767 (ii) Chapter 13, Part 4, Aviation Fuel.
- 768 (f) Notwithstanding Subsection (2), upon request from a tobacco product manufacturer, as defined in Section 59-22-202, the commission shall report to the manufacturer:
- 770 (i) the quantity of cigarettes, as defined in Section 59-22-202, produced by the manufacturer and reported to the commission for the previous calendar year under Section 59-14-407; and
- 773 (ii) the quantity of cigarettes, as defined in Section 59-22-202, produced by the manufacturer for which a tax refund was granted during the previous calendar year under Section 59-14-401 and reported to the commission under Subsection 59-14-401(1)(a)(v).
- 777 (g) Notwithstanding Subsection (2), the commission shall notify manufacturers, distributors, wholesalers, and retail dealers of a tobacco product manufacturer that is prohibited from selling cigarettes to consumers within the state under Subsection 59-14-210(2).
- 781 (h) Notwithstanding Subsection (2), the commission may:
- 782 (i) provide to the Division of Consumer Protection within the Department of Commerce and the attorney general data:
- 784 (A) reported to the commission under Section 59-14-212; or
- 785 (B) related to a violation under Section 59-14-211; and
- 786 (ii) upon request, provide to any person data reported to the commission under Subsections 59-14-212(1)(a) through (c) and Subsection 59-14-212(1)(g).
- 788 (i) Notwithstanding Subsection (2), the commission shall, at the request of a committee of the Legislature, the Office of the Legislative Fiscal Analyst, or the Governor's Office of Planning and Budget, provide to the committee or office the total amount of revenue collected by the

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commission under Chapter 24, Radioactive Waste Facility Tax Act, for the time period specified by the committee or office.

- 793 (j) Notwithstanding Subsection (2), the commission shall make the directory required by Section
59-14-603 available for public inspection.
- 795 (k) Notwithstanding Subsection (2), the commission may share information with federal, state, or local
agencies as provided in Subsection 59-14-606(3).
- 797 (l)
- (i) Notwithstanding Subsection (2), the commission shall provide the Office of Recovery Services
within the Department of Health and Human Services any relevant information obtained from a
return filed under Chapter 10, Individual Income Tax Act, regarding a taxpayer who has become
obligated to the Office of Recovery Services.
- 802 (ii) The information described in Subsection (4)(l)(i) may be provided by the Office of Recovery
Services to any other state's child support collection agency involved in enforcing that support
obligation.
- 805 (m)
- (i) Notwithstanding Subsection (2), upon request from the state court administrator, the commission
shall provide to the state court administrator, the name, address, telephone number, county of
residence, and social security number on resident returns filed under Chapter 10, Individual Income
Tax Act.
- 809 (ii) The state court administrator may use the information described in Subsection (4)(m)(i) only as a
source list for the master jury list described in Section 78B-1-106.
- 812 (n)
- (i) As used in this Subsection (4)(n):
- 813 (A) "Income tax information" means information gained by the commission that is required to
be attached to or included in a return filed with the commission under Chapter 7, Corporate
Franchise and Income Taxes, or Chapter 10, Individual Income Tax Act.
- 817 (B) "Other tax information" means information gained by the commission that is required to be
attached to or included in a return filed with the commission except for a return filed under
Chapter 7, Corporate Franchise and Income Taxes, or Chapter 10, Individual Income Tax Act.
- 821 (C) "Tax information" means income tax information or other tax information.
- 822 (ii)

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- (A) Notwithstanding Subsection (2) and except as provided in Subsection (4)(n)(ii)(B) or (C), the commission shall at the request of GOEO provide to GOEO all income tax information.
- 825 (B) For purposes of a request for income tax information made under Subsection (4)(n)(ii)(A), GOEO may not request and the commission may not provide to GOEO a person's address, name, social security number, or taxpayer identification number.
- 829 (C) In providing income tax information to GOEO, the commission shall in all instances protect the privacy of a person as required by Subsection (4)(n)(ii)(B).
- 831 (iii)
- (A) Notwithstanding Subsection (2) and except as provided in Subsection (4)(n)(iii)(B), the commission shall at the request of GOEO provide to GOEO other tax information.
- 834 (B) Before providing other tax information to GOEO, the commission shall redact or remove any name, address, social security number, or taxpayer identification number.
- 837 (iv) GOEO may provide tax information received from the commission in accordance with this Subsection (4)(n) only:
- 839 (A) as a fiscal estimate, fiscal note information, or statistical information; and
- 840 (B) if the tax information is classified to prevent the identification of a particular return.
- 842 (v)
- (A) A person may not request tax information from GOEO under Title 63G, Chapter 2, Government Records Access and Management Act, or this section, if GOEO received the tax information from the commission in accordance with this Subsection (4)(n).
- 846 (B) GOEO may not provide to a person that requests tax information in accordance with Subsection (4)(n)(v)(A) any tax information other than the tax information GOEO provides in accordance with Subsection (4)(n)(iv).
- 849 (o) Notwithstanding Subsection (2), the commission may provide to the governing board of the agreement or a taxing official of another state, the District of Columbia, the United States, or a territory of the United States:
- 852 (i) the following relating to an agreement sales and use tax:
- 853 (A) information contained in a return filed with the commission;
- 854 (B) information contained in a report filed with the commission;
- 855 (C) a schedule related to Subsection (4)(o)(i)(A) or (B); or
- 856 (D) a document filed with the commission; or

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- 857 (ii) a report of an audit or investigation made with respect to an agreement sales and use tax.
- 859 (p) Notwithstanding Subsection (2), the commission may provide information concerning a taxpayer's state income tax return or state income tax withholding information to the Driver License Division if the Driver License Division:
- 862 (i) requests the information; and
- 863 (ii) provides the commission with a signed release form from the taxpayer allowing the Driver License Division access to the information.
- 865 (q) Notwithstanding Subsection (2), the commission shall provide to the Utah Communications Authority, or a division of the Utah Communications Authority, the information requested by the authority under Sections 63H-7a-302, 63H-7a-402, and 63H-7a-502.
- 869 (r) Notwithstanding Subsection (2), the commission shall provide to the Utah Educational Savings Plan information related to a resident or nonresident individual's contribution to a Utah Educational Savings Plan account as designated on the resident or nonresident's individual income tax return as provided under Section 59-10-1313.
- 874 (s) Notwithstanding Subsection (2), for the purpose of verifying eligibility under Sections 26B-3-106 and 26B-3-903, the commission shall provide an eligibility worker with the Department of Health and Human Services or its designee with the adjusted gross income of an individual if:
- 878 (i) an eligibility worker with the Department of Health and Human Services or its designee requests the information from the commission; and
- 880 (ii) the eligibility worker has complied with the identity verification and consent provisions of Sections 26B-3-106 and 26B-3-903.
- 882 (t) Notwithstanding Subsection (2), the commission may provide to a county, as determined by the commission, information declared on an individual income tax return in accordance with Section 59-10-103.1 that relates to eligibility to claim a residential exemption authorized under Section 59-2-103.
- 886 (u) Notwithstanding Subsection (2), the commission shall provide a report regarding any access line provider that is over 90 days delinquent in payment to the commission of amounts the access line provider owes under Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service Charges, to ~~the~~ the board of the Utah Communications Authority created in Section 63H-7a-201.

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- (v) Notwithstanding Subsection (2), the commission shall provide the Department of Environmental Quality a report on the amount of tax paid by a radioactive waste facility for the previous calendar year under Section 59-24-103.5.
- 894 (w) Notwithstanding Subsection (2), the commission may, upon request, provide to the Department of Workforce Services any information received under Chapter 10, Part 4, Withholding of Tax, that is relevant to the duties of the Department of Workforce Services.
- 898 (x) Notwithstanding Subsection (2), the commission may provide the Public Service Commission or the Division of Public Utilities information related to a seller that collects and remits to the commission a charge described in Subsection 69-2-405(2), including the seller's identity and the number of charges described in Subsection 69-2-405(2) that the seller collects.
- 903 (y)
- (i) Notwithstanding Subsection (2), the commission shall provide to each qualifying jurisdiction the collection data necessary to verify the revenue collected by the commission for a distributed tax, fee, or charge collected within the qualifying jurisdiction.
- 907 (ii) In addition to the information provided under Subsection (4)(y)(i), the commission shall provide a qualifying jurisdiction with copies of returns and other information relating to a distributed tax, fee, or charge collected within the qualifying jurisdiction.
- 911 (iii)
- (A) To obtain the information described in Subsection (4)(y)(ii), the chief executive officer or the chief executive officer's designee of the qualifying jurisdiction shall submit a written request to the commission that states the specific information sought and how the qualifying jurisdiction intends to use the information.
- 916 (B) The information described in Subsection (4)(y)(ii) is available only in official matters of the qualifying jurisdiction.
- 918 (iv) Information that a qualifying jurisdiction receives in response to a request under this subsection is:
- 920 (A) classified as a private record under Title 63G, Chapter 2, Government Records Access and Management Act; and
- 922 (B) subject to the confidentiality requirements of this section.
- 923 (z) Notwithstanding Subsection (2), the commission shall provide the Alcoholic Beverage Services Commission, upon request, with taxpayer status information related to state tax obligations necessary to comply with the requirements described in Section 32B-1-203.

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- 927 (aa) Notwithstanding Subsection (2), the commission shall inform the Department of Workforce
Services, as soon as practicable, whether an individual claimed and is entitled to claim a federal
earned income tax credit for the year requested by the Department of Workforce Services if:
- 931 (i) the Department of Workforce Services requests this information; and
932 (ii) the commission has received the information release described in Section 35A-9-604.
- 934 (bb)
- (i) As used in this Subsection (4)(bb), "unclaimed property administrator" means the administrator or
the administrator's agent, as those terms are defined in Section 67-4a-102.
- 937 (ii)
- (A) Notwithstanding Subsection (2), upon request from the unclaimed property administrator and
to the extent allowed under federal law, the commission shall provide the unclaimed property
administrator the name, address, telephone number, county of residence, and social security number
or federal employer identification number on any return filed under Chapter 7, Corporate Franchise
and Income Taxes, or Chapter 10, Individual Income Tax Act.
- 943 (B) The unclaimed property administrator may use the information described in Subsection (4)(bb)(ii)
(A) only for the purpose of returning unclaimed property to the property's owner in accordance with
Title 67, Chapter 4a, Revised Uniform Unclaimed Property Act.
- 947 (iii) The unclaimed property administrator is subject to the confidentiality provisions of this section
with respect to any information the unclaimed property administrator receives under this Subsection
(4)(bb).
- 950 (cc) Notwithstanding Subsection (2), the commission may, upon request, disclose a taxpayer's state
individual income tax information to a program manager of the Utah Fits All Scholarship Program
under Section 53F-6-402 if:
- 953 (i) the taxpayer consents in writing to the disclosure;
954 (ii) the taxpayer's written consent includes the taxpayer's name, social security number, and any other
information the commission requests that is necessary to verify the identity of the taxpayer; and
957 (iii) the program manager provides the taxpayer's written consent to the commission.
- 958 (dd) Notwithstanding Subsection (2), the commission may, upon request, disclose a taxpayer's state
individual income tax information to a scholarship granting organization of the Carson Smith
Opportunity Scholarship Program under Section 53E-7-402 if:
- 962 (i) the taxpayer consents in writing to the disclosure;

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- 963 (ii) the taxpayer's written consent includes the taxpayer's name, social security number, and any other
966 information the commission requests that is necessary to verify the identity of the taxpayer; and
967 (iii) the program manager provides the taxpayer's written consent to the commission.
- 967 [~~(dd)~~] (ee) Notwithstanding Subsection (2), the commission may provide to the Division of Finance
within the Department of Government Operations any information necessary to facilitate a payment
from the commission to a taxpayer, including:
- 970 (i) the name of the taxpayer entitled to the payment or any other person legally authorized to receive the
payment;
- 972 (ii) the taxpayer identification number of the taxpayer entitled to the payment;
- 973 (iii) the payment identification number and amount of the payment;
- 974 (iv) the tax year to which the payment applies and date on which the payment is due;
- 975 (v) a mailing address to which the payment may be directed; and
- 976 (vi) information regarding an account at a depository institution to which the payment may be directed,
including the name of the depository institution, the type of account, the account number, and the
routing number for the account.
- 979 [~~(ee)~~] (ff) Notwithstanding Subsection (2), the commission shall provide the total amount of revenue
collected by the commission under Subsection 59-5-202(5):
- 981 (i) at the request of a committee of the Legislature, the Office of the Legislative Fiscal Analyst, or the
Governor's Office of Planning and Budget, to the committee or office for the time period specified
by the committee or office; and
- 984 (ii) to the Division of Finance for purposes of the Division of Finance administering Subsection
59-5-202(5).
- 986 [~~(ff)~~] (gg) Notwithstanding Subsection (2), the commission may provide the Department of Agriculture
and Food with information from a return filed in accordance with Chapter 31, Cannabinoid
Licensing and Tax Act.
- 989 [~~(gg)~~] (hh) Notwithstanding Subsection (2), the commission shall provide the Department of Workforce
Services with the information described in Section 35A-3-105.
- 992 [~~(hh)~~] (ii) Notwithstanding Subsection (2), the commission may provide aggregated information to
the Utah Population Committee, created in Section 63C-20-103, if the Utah Population Committee
requests the information in accordance with Section 63C-20-105.
- 996 (5)

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(a) Each report and return shall be preserved for at least three years.

997 (b) After the three-year period provided in Subsection (5)(a) the commission may destroy a report or
return.

999 (6)

(a) Any individual who violates this section is guilty of a class A misdemeanor.

1000 (b) If the individual described in Subsection (6)(a) is an officer or employee of the state, the individual
shall be dismissed from office and be disqualified from holding public office in this state for a
period of five years thereafter.

1003 (c) Notwithstanding Subsection (6)(a) or (b), GOEO, when requesting information in accordance with
Subsection (4)(n)(iii), or an individual who requests information in accordance with Subsection (4)
(n)(v):

1006 (i) is not guilty of a class A misdemeanor; and

1007 (ii) is not subject to:

1008 (A) dismissal from office in accordance with Subsection (6)(b); or

1009 (B) disqualification from holding public office in accordance with Subsection (6)(b).

1011 (d) Notwithstanding Subsection (6)(a) or (b), for a disclosure of information to the Office of the
Legislative Auditor General in accordance with Title 36, Chapter 12, Legislative Organization, an
individual described in Subsection (2):

1014 (i) is not guilty of a class A misdemeanor; and

1015 (ii) is not subject to:

1016 (A) dismissal from office in accordance with Subsection (6)(b); or

1017 (B) disqualification from holding public office in accordance with Subsection (6)(b).

1019 (7) Except as provided in Section 59-1-404, this part does not apply to the property tax.

1035 Section 9. Section 59-7-625 is amended to read:

1036 **59-7-625. Nonrefundable tax credit for a donation to the Carson Smith Opportunity
Scholarship Program.**

1038 (1) A taxpayer that makes a donation to the Carson Smith Opportunity Scholarship Program established
in Section 53E-7-402 may claim a nonrefundable tax credit equal to 100% of the amount stated on a
tax credit certificate issued in accordance with Section 53E-7-407.

1041 (2) A taxpayer may claim the tax credit described in Subsection (1) for the taxable year indicated on the
tax credit certificate issued in accordance with Section 53E-7-407.

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1043 (3) A taxpayer may not claim the tax credit described in Subsection (1) for a donation to the extent the taxpayer claims the donation as a deduction or credit against the taxpayer's federal income taxes for any taxable year.

1046 [~~(2) If the amount of a tax credit listed on the tax credit certificate exceeds a taxpayer's liability under this chapter for a taxable year, the taxpayer:~~]

1048 [~~(a) may carry forward the amount of the tax credit exceeding the liability for a period that does not exceed the next three taxable years; and]~~

1050 [~~(b) may carry back the amount of the tax credit that exceeds the taxpayer's tax liability to the previous taxable year.]~~

1052 Section 10. Section 59-10-1041 is amended to read:

1053 **59-10-1041. Nonrefundable tax credit for a donation to the Carson Smith Opportunity Scholarship Program.**

1055 (1) Except as provided in Subsection (3), a claimant, estate, or trust that makes a donation to the Carson Smith Opportunity Scholarship Program established in Section 53E-7-402 may claim a nonrefundable tax credit equal to 100% of the amount stated on a tax credit certificate issued in accordance with Section 53E-7-407.

1059 (2) The tax credit described in Subsection (1) may be claimed for the taxable year indicated on the tax credit certificate issued in accordance with Section 53E-7-407.

1061 (3) A claimant, estate, or trust may not claim the tax credit described in Subsection (1) for a donation to the extent the claimant, estate, trust claims the donation as a deduction or credit against the claimant's, estate's, or trust's federal income taxes for any taxable year.

1064 [~~(2) If the amount of a tax credit listed on the tax credit certificate exceeds a claimant's, estate's, or trust's tax liability under this chapter for a taxable year, the claimant, estate, or trust:]~~

1067 [~~(a) may carry forward the amount of the tax credit exceeding the liability for a period that does not exceed the next three taxable years; and]~~

1069 [~~(b) may carry back the amount of the tax credit that exceeds the claimant's, estate's, or trust's tax liability to the previous taxable year.]~~

1071 [~~(3) A claimant, estate, or trust may not claim a credit described in Subsection (1) to the extent the claimant, estate, or trust claims a donation described in Subsection (1) as an itemized deduction on the claimant's, estate's, or trust's federal individual income tax return for that taxable year.]~~

1075 Section 11. **Effective date.**

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Effective Date.

- 1021 (1) ~~{ Except as provided in Subsection (2), this }~~ This bill takes effect on May 6, 2026.
- 1022 ~~{ (2) { The actions affecting Section 53E-7-407 (Effective 01/01/27) take effect for a future taxable year beginning on or after January 1, 2027. } }~~

1077 Section 12. **Retrospective Operation.**

The following sections have retrospective operation for a taxable year starting on or after January 1, 2026:

- 1080 (1) Section 59-1-403 (Effective 05/06/26) (Applies beginning 01/01/26) (Partially Repealed 07/01/29);
- 1081 (2) Section 59-7-625 (Effective 05/06/26) (Applies beginning 01/01/26); and
- 1082 (3) Section 59-10-1041 (Effective 05/06/26) (Applies beginning 01/01/26).

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