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Child Tax Credit Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Tracy J. Miller

Senate Sponsor: Lincoln Fillmore

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LONG TITLE

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General Description:

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

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Highlighted Provisions:

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This bill:

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- 8 ▶ expands eligibility for the child tax credit by increasing the thresholds for the
- 9 income-based phaseout.

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Money Appropriated in this Bill:

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None

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Other Special Clauses:

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This bill provides retrospective operation.

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Utah Code Sections Affected:

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AMENDS:

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59-10-1047, as last amended by Laws of Utah 2025, Chapter 407

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

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

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59-10-1047 . Nonrefundable child tax credit.

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(1) As used in this section:

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

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

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

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

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

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(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,

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) "Qualifying child" means an individual:

- (i) with respect to whom the claimant is allowed to claim a tax credit under Section 24, Internal Revenue Code, on the claimant's federal individual income tax return for the taxable year; and

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

(2) Subject to Section 59-10-1002.2, a claimant may claim a nonrefundable tax credit of \$1,000 for each qualifying child.

(3) A claimant may not carry forward or carry back the amount of the tax credit that exceeds the claimant's tax liability.

(4) The tax credit allowed by Subsection (2) claimed on a return filed under this [part] chapter shall be reduced by \$.10 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, [\$27,000] \$30,500;

(b) for a federal individual income tax return that is allowed a single filing status or head of household filing status, [\$43,000] \$49,000; and

(c) for a federal individual income tax return that is allowed a joint filing status, [\$54,000]
\$61,000.

Section 2. Effective Date.

This bill takes effect on May 6, 2026.

Section 3. Retrospective operation.

This bill has retrospective operation for a taxable year beginning on or after January 1, 2026.