

59-10-1020 Nonrefundable estate or trust tax credit.

- (1) For taxable years beginning on or after January 1, 2008, an estate or trust may claim a nonrefundable tax credit against taxes otherwise due under Part 2, Trusts and Estates, equal to the product of:
 - (a) the sum of:
 - (i) the amount that a resident or nonresident estate or trust deducts under Section 163, Internal Revenue Code, for interest paid or accrued, as allowed on the resident or nonresident estate's or trust's federal income tax return for estates and trusts for the taxable year;
 - (ii) the amount that a resident or nonresident estate or trust deducts under Section 164, Internal Revenue Code, for taxes paid or accrued other than for any amount paid or accrued for state or local income taxes for the taxable year, as allowed on the resident or nonresident estate's or trust's federal income tax return for estates and trusts for the taxable year;
 - (iii) the amount that a resident or nonresident estate or trust other than a qualified nongrantor charitable lead trust deducts under Section 642(c), Internal Revenue Code, as a charitable contribution deduction, as allowed on the resident or nonresident estate's or trust's federal income tax return for estates and trusts for the taxable year;
 - (iv) subject to Subsection (3), the amount that a resident or nonresident estate or trust deducts as an attorney, accountant, or return preparer fee, as allowed on the resident or nonresident estate's or trust's federal income tax return for estates and trusts for the taxable year; and
 - (v) subject to Subsection (3), the amount that a resident or nonresident estate or trust deducts as an other deduction or miscellaneous itemized deduction, as allowed on the resident or nonresident estate's or trust's federal income tax return for estates and trusts for the taxable year; and
 - (b) 6%.
- (2) An estate or trust may not carry forward or carry back a tax credit under this section.
- (3) The tax credit allowed by Subsection (1) shall be reduced by \$.013 for each dollar by which an estate's or trust's taxable income exceeds \$12,000.
- (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act:
 - (a) for purposes of Subsection (1)(a)(iv), the commission may make rules for determining what constitutes an attorney, accountant, or return preparer fee if that attorney, accountant, or return preparer fee is consistent with an attorney, accountant, or return preparer fee that may be deducted on a federal income tax return for estates and trusts; or
 - (b) for purposes of Subsection (1)(a)(v), the commission may make rules for determining what constitutes an other deduction or miscellaneous itemized deduction if that other deduction or miscellaneous itemized deduction is consistent with an other deduction or miscellaneous itemized deduction that may be deducted on a federal income tax return for estates and trusts.

Enacted by Chapter 389, 2008 General Session