Effective 3/23/2022

59-10-1043 Nonrefundable tax credit for military retirement.

(1) As used in this section:

(a)

(i) "Military retirement pay" means retirement pay, including survivor benefits, that relates to service in the armed forces or the reserve components, as described in 10 U.S.C. Sec. 10101.

(ii) "Military retirement pay" does not include:

(A) Social Security income;

(B) 401(k) or IRA distributions; or

(C) income from other sources.

(b) "Survivor benefits" means the retired pay portion of the benefits described in 10 U.S.C. Secs. 1447 through 1455.

(2) Except as provided in Section 59-10-1002.2, a claimant who receives military retirement pay may claim a nonrefundable tax credit against taxes equal to the product of:

(a) the percentage listed in Subsection 59-10-104(2); and

(b) the amount of military retirement pay that is included in adjusted gross income on the claimant's federal income tax return for the taxable year.

(3) A claimant may not:

(a) carry forward or carry back the amount of a tax credit that exceeds the claimant's tax liability for the taxable year; or

(b) claim a tax credit under this section for a taxable year if a tax credit under Section 59-10-1019 is claimed on the claimant's return for the same taxable year.

Amended by Chapter 258, 2022 General Session