

**INDIVIDUAL INCOME TAX - TAX CREDIT  
FOR LIVE ORGAN DONATION EXPENSES**

2005 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Karen Hale**

House Sponsor: Ann W. Hardy

Ron Allen  
Patrice M. Arent

Curtis S. Bramble  
Gene Davis

Howard A. Stephenson

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**LONG TITLE**

**General Description:**

This bill modifies the Individual Income Tax Act to provide a nonrefundable individual income tax credit.

**Highlighted Provisions:**

This bill:

- ▶ provides definitions;
- ▶ provides a nonrefundable individual income tax credit for live organ donation expenses incurred during the taxable year for which a live organ donation occurs;
- ▶ grants rulemaking authority to the State Tax Commission; and
- ▶ makes technical changes.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill has retrospective operation for taxable years beginning on or after January 1, 2005.

**Utah Code Sections Affected:**

ENACTS:

**59-10-134.2**, Utah Code Annotated 1953

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

Section 1. Section **59-10-134.2** is enacted to read:

**59-10-134.2. Definitions -- Nonrefundable tax credit for live organ donation expenses -- Rulemaking authority.**

(1) As used in this section:

(a) "human organ" means:

(i) human bone marrow; or

(ii) any part of a human:

(A) intestine;

(B) kidney;

(C) liver;

(D) lung; or

(E) pancreas;

(b) "live organ donation" means that an individual who is living donates one or more of that individual's human organs:

(i) to another human; and

(ii) to be transplanted:

(A) using a medical procedure; and

(B) to the body of the other human; and

(c) (i) "live organ donation expenses" means the total amount of expenses:

(A) incurred by a taxpayer; and

(B) that:

(I) are not reimbursed to that taxpayer by any person;

(II) are directly related to a live organ donation by:

(Aa) the taxpayer; or

(Bb) another individual that the taxpayer is allowed to claim as a dependent in accordance with Section 151, Internal Revenue Code; and

(III) are for:

(Aa) travel;

(Bb) lodging; or

(Cc) a lost wage; and

(ii) in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may by rule define "lost wage."

(2) For taxable years beginning on or after January 1, 2005, a taxpayer may claim a nonrefundable tax credit:

(a) as provided in this section;

(b) against taxes otherwise due under this chapter;

(c) for live organ donation expenses incurred during the taxable year for which the live organ donation occurs; and

(d) in an amount equal to the lesser of:

(i) the actual amount of the live organ donation expenses; or

(ii) \$10,000.

(3) If the amount of a tax credit under this section exceeds a taxpayer's tax liability under this chapter for a taxable year, the amount of the tax credit that exceeds the taxpayer's tax liability may be carried forward for a period that does not exceed the next five taxable years.

**Section 2. Retrospective operation.**

This bill has retrospective operation for taxable years beginning on or after January 1, 2005.