

**2nd Sub. S.B. 242**  
**TAX REVISIONS**

Representative **Wayne A. Harper** proposes the following amendments:

1. *Page 2, Line 50 through Page 3, Line 69:*

50 AMENDS:

*\*\*\* Some lines not shown \*\*\**

69 59-10-104, as last amended by Chapters 323 and 324, Laws of Utah 2001 =  
**59-10-104.1, as enacted by Chapter 323, Laws of Utah 2001**

2. *Page 5, Lines 120 through 130:*

120 REPEALS:

*\*\*\* Some lines not shown \*\*\**

130 { ~~**59-10-104.1, as enacted by Chapter 323, Laws of Utah 2001**~~ }

3. *Page 44, Lines 1344 through 1347:*

1344 (2) The tax imposed by this section is equal to the product of:

1345 (a) a resident individual's state taxable income for the taxable year; and

1346 (b) 4.975%. =

**(3) This section does not apply to a resident individual exempt from taxation under Section 59-10-104.1.**

**Section 19. Section 59-10-104.1 is amended to read:**

**59-10-104.1. Exemption from taxation.**

(1) For purposes of this section:

(a) "personal exemptions" means the total exemption amount an individual is allowed to claim for the taxable year under Section 151, Internal Revenue Code, for:

(i) the individual;

(ii) the individual's spouse; and

(iii) the individual's dependents; and

(b) "standard deduction":

(i) except as provided in Subsection (1)(b)(ii), means the standard deduction an individual is allowed to claim for the taxable year under Section 63, Internal Revenue Code; and

(ii) notwithstanding Subsection (1)(b)(i), does not include an additional amount allowed under Section 63(f), Internal Revenue Code, for an individual or an individual's spouse who is:

(A) blind; or

(B) 65 years of age or older.

(2) For taxable years beginning on or after January 1, 2002, an individual is exempt from a tax imposed by Section 59-10-104 ~~{,59-10-105,}~~ or 59-10-116 if the individual's adjusted gross income on the individual's federal individual income tax return for the taxable year is less than or equal to the sum of the individual's:

- (a) personal exemptions for that taxable year; and
- (b) standard deduction for that taxable year.

**Renumber remaining sections accordingly.**

4. *Page 56, Lines 1705 through 1710:*

1705 (b) state income tax percentage.  
1706 ~~{+}~~ (3) **This section does not apply to a nonresident individual exempt from taxation**  
1707 **under Section 59-10-104.1.** ~~{+}~~  
1708 ~~{+}~~ (4) ~~{+}~~ ~~{3}~~ In accordance with Title 63, Chapter 46a, Utah Administrative  
Rulemaking  
1709 Act, for purposes of Subsection (1), the commission may by rule define what constitutes  
1710 compensation.

5. *Page 101, Line 3121 through Page 102, Line 3134:*

3121 Section 64. Repealer.  
3122 This bill repeals:  

\* \* \* *Some lines not shown* \* \* \*

3134 ~~{Section 59-10-104.1, Exemption from taxation.}~~