

# 1st Sub. H.B. 36

## INCOME TAX ADDITIONS AND SUBTRACTIONS FOR HIGHER EDUCATION SAVINGS

SENATE FLOOR AMENDMENTS

AMENDMENT 2

FEBRUARY 21, 2007 3:23 PM

Senator **Wayne L. Niederhauser** proposes the following amendments:

1. *Page 1, Lines 12 through 14:*

12 This bill amends the Higher Education Savings Incentive Program chapter, the Corporate  
Franchise and Income Taxes chapter and and the Individual  
13 Income Tax Act relating to additions to and subtractions from federal taxable income and the program  
14 for higher education savings.

2. *Page 1, Line 17:*

17 ▶ provides and modifies definitions;  
= ▶ addresses the taxation of the Utah Educational Savings Plan Trust and its income;

3. *Page 2, Line 55:*

55 59-10-114, as last amended by Chapter 2, Laws of Utah 2006, Fourth Special Session  
= 59-10-201, as last amended by Chapter 223, Laws of Utah 2006

4. *Page 8, Lines 212 through 213:*

212 taxable year beginning on or after January 1, 2006, but beginning on or before December 31,  
213 2006; or

5. *Page 14, Lines 398 through 400:*

398 (1) For tax purposes the property of the Utah Educational Savings Plan Trust and its  
399 income are governed by { ~~Sections 59-7-105, 59-7-106, 59-10-114, [and]~~ } Section 59-10-201 {  
and  
400 59-10-202 } .

6. *Page 28, Line 844:*

844 (B) the District of Columbia, if the entity is located within the District of Columbia.  
= Section 15. Section 59-10-201 is amended to read:  
59-10-201. Taxation of resident trusts and estates.

(1) A tax determined in accordance with the rates prescribed by Section 59-10-104 for individuals filing separately is imposed for each taxable year on the state taxable income of each resident estate or trust, except for

trusts taxed as corporations.

(2) A resident estate or trust shall be allowed the credit provided in Section 59-10-1003, relating to an income tax imposed by another state, except that the limitation shall be computed by reference to the taxable income of the estate or trust.

(3) The property of the Utah Educational Savings Plan Trust established in Title 53B, Chapter 8a, Higher Education Savings Incentive Program, and its income from operations and investments are exempt from all taxation by the state under this chapter.

**Renumber remaining sections accordingly.**