

Representative Brian S. King proposes the following substitute bill:

TAX CREDITS FOR EMPLOYING A HOMELESS PERSON

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brian S. King

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill enacts tax credits for employing a homeless person.

Highlighted Provisions:

This bill:

- ▶ defines terms; and
- ▶ enacts nonrefundable corporate and individual income tax credits for employing a homeless person.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill has retrospective operation for a taxable year beginning on or after January 1, 2012.

Utah Code Sections Affected:

ENACTS:

59-7-614.7, Utah Code Annotated 1953

59-10-1029, Utah Code Annotated 1953

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



26 Section 1. Section **59-7-614.7** is enacted to read:

27 **59-7-614.7. Nonrefundable tax credit for hiring a homeless person.**

28 (1) As used in this section:

29 (a) "Continuously employed" means that beginning on or after January 1, 2012, a
30 homeless person works for a corporation for at least 80 hours during each month of a
31 six-month period that begins on the date the homeless person is hired by the corporation.

32 (b) "Homeless person" means an individual whose primary nighttime residence is a
33 permanent housing, permanent supportive, or transitional facility.

34 (c) "Permanent housing, permanent supportive, or transitional facility" means a facility:

35 (i) located within the state;

36 (ii) that provides supervision of residents of the facility; and

37 (iii) (A) that is a publicly or privately operated shelter designed to provide temporary
38 living accommodations, including a welfare hotel, congregate shelter, or transitional housing
39 for the mentally ill, and that receives federal homeless assistance funding distributed by the
40 United States Department of Housing and Urban Development; or

41 (B) that is an emergency shelter that receives homeless assistance funding from a
42 county, city, or town.

43 (2) A corporation may claim a nonrefundable tax credit as provided in this section
44 against a tax under this chapter if the corporation hires a homeless person:

45 (a) on or after January 1, 2012;

46 (b) who resides in a permanent housing, permanent supportive, or transitional facility
47 on the date the corporation hires the homeless person; and

48 (c) who is continuously employed by the corporation.

49 (3) A tax credit under this section is equal to:

50 (a) (i) \$500 for a homeless person who works for a corporation for at least 80 hours but
51 less than 160 hours during each month of a six-month period that begins on the date the
52 homeless person is hired by the corporation; and

53 (ii) (A) \$500 if the homeless person described in Subsection (3)(a)(i) works for the
54 corporation for at least 80 hours but less than 160 hours during each month of an additional
55 six-month period that begins on the day after the last day of the six-month period described in
56 Subsection (3)(a)(i); or

57 (B) \$1000 if the homeless person described in Subsection (3)(a)(i) works for the
58 corporation for 160 or more hours during each month of an additional six-month period that
59 begins on the day after the last day of the six-month period described in Subsection (3)(a)(i); or

60 (b) (i) \$1000 for a homeless person who works for a corporation for 160 or more hours
61 during each month of a six-month period that begins on the date the homeless person is hired
62 by the corporation; and

63 (ii) (A) \$500 if the homeless person described in Subsection (3)(b)(i) works for the
64 corporation for at least 80 hours but less than 160 hours during each month of an additional
65 six-month period that begins on the day after the last day of the six-month period described in
66 Subsection (3)(b)(i); or

67 (B) \$1000 if the homeless person described in Subsection (3)(b)(i) works for the
68 corporation for 160 or more hours during each month of an additional six-month period that
69 begins on the day after the last day of the six-month period described in Subsection (3)(b)(i).

70 (4) (a) A tax credit under this section may be claimed only once per homeless person a
71 corporation hires.

72 (b) A tax credit under:

73 (i) Subsection (3)(a)(i) may be claimed in a different taxable year than a tax credit
74 claimed under Subsection (3)(a)(ii); and

75 (ii) Subsection (3)(b)(i) may be claimed in a different taxable year than a tax credit
76 claimed under Subsection (3)(b)(ii).

77 (5) A corporation that claims a tax credit under this section shall retain the following
78 for each homeless person with respect to whom the corporation claims a tax credit under this
79 section:

80 (a) the homeless person's:

81 (i) name;

82 (ii) taxpayer identification number; and

83 (iii) current address, or if the homeless person is no longer employed by the
84 corporation, the last known address of the homeless person;

85 (b) documentation provided by a permanent housing, permanent supportive, or
86 transitional facility:

87 (i) stating the address of the permanent housing, permanent supportive, or transitional

88 facility; and

89 (ii) establishing that the homeless person resided at the permanent housing, permanent
90 supportive, or transitional facility on the date the corporation hired the homeless person; and

91 (c) documentation establishing the hours and dates that the homeless person worked
92 for the corporation.

93 (6) A corporation shall provide the information described in Subsection (5) to the
94 commission at the request of the commission.

95 (7) A corporation may carry forward a tax credit under this section for a period that
96 does not exceed the next five taxable years if:

97 (a) the corporation is allowed to claim a tax credit under this section for a taxable year;
98 and

99 (b) the amount of the tax credit exceeds the corporation's tax liability under this chapter
100 for that taxable year.

101 Section 2. Section **59-10-1029** is enacted to read:

102 **59-10-1029. Nonrefundable tax credit for hiring a homeless person.**

103 (1) As used in this section:

104 (a) "Continuously employed" means that beginning on or after January 1, 2012, a
105 homeless person works for a claimant, estate, or trust for at least 80 hours during each month
106 of a six-month period that begins on the date the homeless person is hired by the claimant,
107 estate, or trust.

108 (b) "Homeless person" means an individual whose primary nighttime residence is a
109 permanent housing, permanent supportive, or transitional facility.

110 (c) "Permanent housing, permanent supportive, or transitional facility" means a facility:

111 (i) located within the state;

112 (ii) that provides supervision of residents of the facility; and

113 (iii) (A) that is a publicly or privately operated shelter designed to provide temporary
114 living accommodations, including a welfare hotel, congregate shelter, or transitional housing
115 for the mentally ill, and that receives federal homeless assistance funding distributed by the
116 United States Department of Housing and Urban Development; or

117 (B) that is an emergency shelter that receives homeless assistance funding from a
118 county, city, or town.

119 (2) A claimant, estate, or trust may claim a nonrefundable tax credit as provided in this
120 section against a tax under this chapter if the claimant, estate, or trust hires a homeless person:

121 (a) on or after January 1, 2012;

122 (b) who resides in a permanent housing, permanent supportive, or transitional facility
123 on the date the claimant, estate, or trust hires the homeless person; and

124 (c) who is continuously employed by the claimant, estate, or trust.

125 (3) A tax credit under this section is equal to:

126 (a) (i) \$500 for a homeless person who works for a claimant, estate, or trust for at least
127 80 hours but less than 160 hours during each month of a six-month period that begins on the
128 date the homeless person is hired by the claimant, estate, or trust; and

129 (ii) (A) \$500 if the homeless person described in Subsection (3)(a)(i) works for the
130 claimant, estate, or trust for at least 80 hours but less than 160 hours during each month of an
131 additional six-month period that begins on the day after the last day of the six-month period
132 described in Subsection (3)(a)(i); or

133 (B) \$1000 if the homeless person described in Subsection (3)(a)(i) works for the
134 claimant, estate, or trust for 160 or more hours during each month of an additional six-month
135 period that begins on the day after the last day of the six-month period described in Subsection
136 (3)(a)(i); or

137 (b) (i) \$1000 for a homeless person who works for a claimant, estate, or trust for 160 or
138 more hours during each month of a six-month period that begins on the date the homeless
139 person is hired by the claimant, estate, or trust; and

140 (ii) (A) \$500 if the homeless person described in Subsection (3)(b)(i) works for the
141 claimant, estate, or trust for at least 80 hours but less than 160 hours during each month of an
142 additional six-month period that begins on the day after the last day of the six-month period
143 described in Subsection (3)(b)(i); or

144 (B) \$1000 if the homeless person described in Subsection (3)(b)(i) works for the
145 claimant, estate, or trust for 160 or more hours during each month of an additional six-month
146 period that begins on the day after the last day of the six-month period described in Subsection
147 (3)(b)(i).

148 (4) (a) A tax credit under this section may be claimed only once per homeless person a
149 claimant, estate, or trust hires.

150 (b) A tax credit under:

151 (i) Subsection (3)(a)(i) may be claimed in a different taxable year than a tax credit
152 claimed under Subsection (3)(a)(ii); and

153 (ii) Subsection (3)(b)(i) may be claimed in a different taxable year than a tax credit
154 claimed under Subsection (3)(b)(ii).

155 (5) A claimant, estate, or trust that claims a tax credit under this section shall retain the
156 following for each homeless person with respect to whom the claimant, estate, or trust claims a
157 tax credit under this section:

158 (a) the homeless person's:

159 (i) name;

160 (ii) taxpayer identification number; and

161 (iii) current address, or if the homeless person is no longer employed by the claimant,
162 estate, or trust, the last known address of the homeless person;

163 (b) documentation provided by a permanent housing, permanent supportive, or
164 transitional facility:

165 (i) stating the address of the permanent housing, permanent supportive, or transitional
166 facility; and

167 (ii) establishing that the homeless person resided at the permanent housing, permanent
168 supportive, or transitional facility on the date the claimant, estate, or trust hired the homeless
169 person; and

170 (c) documentation establishing the hours and dates that the homeless person worked
171 for the claimant, estate, or trust.

172 (6) A claimant, estate, or trust shall provide the information described in Subsection
173 (5) to the commission at the request of the commission.

174 (7) A claimant, estate, or trust may carry forward a tax credit under this section for a
175 period that does not exceed the next five taxable years if:

176 (a) the claimant, estate, or trust is allowed to claim a tax credit under this section for a
177 taxable year; and

178 (b) the amount of the tax credit exceeds the claimant's, estate's, or trust's tax liability
179 under this chapter for that taxable year.

180 Section 3. **Retrospective operation.**

181 This bill has retrospective operation for a taxable year beginning on or after January 1,
182 2012.