

1 **TAX CREDIT FOR HOME-SCHOOLING PARENT**

2 2014 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: David E. Lifferth**

5 Senate Sponsor: _____

7 **LONG TITLE**

8 **General Description:**

9 This bill provides a nonrefundable tax credit for a home-schooling parent.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ defines terms;
- 13 ▶ provides a nonrefundable tax credit for a home-schooling parent; ~~H→~~ **[and]** ~~←H~~
- 14 ▶ provides that the tax credit for a home-schooling parent is subject to

14a apportionment ~~H→~~ **[:] ; and**

14b ▶ requires the Revenue and Taxation Interim Committee to conduct a study
14c related to the tax credit. ~~←H~~

15 **Money Appropriated in this Bill:**

16 None

17 **Other Special Clauses:**

18 This bill has retrospective operation for a taxable year beginning on or after January 1,
19 2014.

20 **Utah Code Sections Affected:**

21 AMENDS:

22 **59-10-1002.2**, as last amended by Laws of Utah 2011, Chapter 302

23 ENACTS:

24 **59-10-1032**, Utah Code Annotated 1953

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

27 Section 1. Section **59-10-1002.2** is amended to read:



28 **59-10-1002.2. Apportionment of tax credits.**

29 (1) A nonresident individual or a part-year resident individual that claims a tax credit
30 in accordance with Section [59-10-1017](#), [59-10-1018](#), [59-10-1019](#), [59-10-1021](#), [59-10-1022](#),
31 [59-10-1023](#), [59-10-1024](#), [or] [59-10-1028](#), or [59-10-1032](#) may only claim an apportioned
32 amount of the tax credit equal to:

33 (a) for a nonresident individual, the product of:

34 (i) the state income tax percentage for the nonresident individual; and

35 (ii) the amount of the tax credit that the nonresident individual would have been
36 allowed to claim but for the apportionment requirements of this section; or

37 (b) for a part-year resident individual, the product of:

38 (i) the state income tax percentage for the part-year resident individual; and

39 (ii) the amount of the tax credit that the part-year resident individual would have been
40 allowed to claim but for the apportionment requirements of this section.

41 (2) A nonresident estate or trust that claims a tax credit in accordance with Section
42 [59-10-1017](#), [59-10-1020](#), [59-10-1022](#), [59-10-1024](#), or [59-10-1028](#) may only claim an
43 apportioned amount of the tax credit equal to the product of:

44 (a) the state income tax percentage for the nonresident estate or trust; and

45 (b) the amount of the tax credit that the nonresident estate or trust would have been
46 allowed to claim but for the apportionment requirements of this section.

47 Section 2. Section **59-10-1032** is enacted to read:

48 **59-10-1032. Nonrefundable tax credit for home-schooling parent.**

49 (1) As used in this section:

50 (a) "Home-schooling parent" means a parent:

51 (i) of a home-schooled child;

52 (ii) who has submitted the affidavit described in Subsection [53A-11-102\(2\)](#); and

53 (iii) who claims the home-schooled child as a dependent under Section 151, Internal
54 Revenue Code, on the parent's federal individual income tax return for the taxable year.

55 (b) "Home-schooled child" means a school-age minor who $\hat{H} \rightarrow$:

55a (i) $\leftarrow \hat{H}$ is excused from school

56 attendance in accordance with Subsection [53A-11-102\(2\)](#) $\hat{H} \rightarrow$ [e] ; and

56a (ii) a home-schooling parent claims as a dependent under Section 151, Internal

56b Revenue Code, on the home-schooling parent's federal individual income tax return for

56c the taxable year. $\leftarrow \hat{H}$

57 (c) "Parent" means an individual who:

58 (i) is the biological mother or father of a home-schooled child;

59 (ii) is the stepfather or stepmother of a home-schooled child;

60 (iii) (A) legally adopts a home-schooled child; or

61 (B) has a home-schooled child placed in the individual's home by a child placing

62 agency, as defined in Section 62A-4a-601, for the purpose of legally adopting the child;

63 (iv) is a foster parent of a home-schooled child; or

64 (v) is a legal guardian of a home-schooled child.

65 (2) Except as provided in Section 59-10-1002.2 ~~H~~→ and subject to the other provisions of

65a this section ~~←H~~ , ~~H~~→ for a taxable year beginning on or after January 1, 2014, but beginning

65b on or before December 31, 2018, ~~←H~~ a claimant may claim a nonrefundable

66 tax credit against a tax under this chapter of \$500 for ~~H~~→ ~~[each]~~ a ~~←H~~ home-schooled child

66a if the claimant,

67 or another claimant who files a joint return under this chapter with the claimant, is a

68 home-schooling parent.

69 (3) A home-schooling parent may claim a tax credit under this section regardless of

70 whether the home-schooled child participates in an extracurricular activity in a public school in

71 accordance with Section 53A-11-102.6

71a ~~H~~→ (4) A home-schooling parent may not claim a tax credit under this section if the

71b home-schooled child is enrolled in a dual enrollment program described in

71c Section 53A-11-102.5 ~~←H~~ .

72 (4) A tax credit under this section may ~~H~~→ ~~[be claimed once per home-schooled child]~~

72a not exceed \$500 ~~←H~~ per

73 return for a taxable year.

74 (5) A claimant may not carry forward or carry back a tax credit under this section.

74a ~~H~~→ (6) On or before the November 2018 interim meeting, the Revenue and Taxation

74b Interim Committee shall study the tax credit provided in this section and make findings and

74c recommendations as to:

74d (a) the purpose and effectiveness of the tax credit; and

74e (b) whether the tax credit should be extended, modified, or repealed. ~~←H~~

75 Section 3. Retrospective operation.

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

77 2014.

Legislative Review Note

as of 1-13-14 3:00 PM

Office of Legislative Research and General Counsel