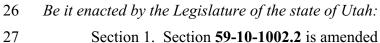
| TAX CREDIT FOR HOME-SCHOOLING PARENT  |
|---|
| 2014 GENERAL SESSION  |
| STATE OF UTAH   |
| Chief Sponsor: David E. Lifferth  |
| Senate Sponsor:   |
| LONG TITLE  |
| General Description:  |
| This bill provides a nonrefundable tax credit for a home-schooling parent.                                |
| Highlighted Provisions:   |
| This bill:  |
| <ul><li>defines terms;</li></ul>  |
| <ul> <li>provides a nonrefundable tax credit for a home-schooling parent; and</li> </ul>                  |
| <ul> <li>provides that the tax credit for a home-schooling parent is subject to apportionment.</li> </ul> |
| Money Appropriated in this Bill:  |
| None  |
| Other Special Clauses:  |
| This bill has retrospective operation for a taxable year beginning on or after January 1,                 |
| 2014.   |
| <b>Utah Code Sections Affected:</b>   |
| AMENDS:   |
| 59-10-1002.2, as last amended by Laws of Utah 2011, Chapter 302   |
| ENACTS:   |
| <b>59-10-1032</b> , Utah Code Annotated 1953  |



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



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| 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    |
| 12         | 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:                            |
| 14         | (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.                 |
| <b>1</b> 7 | Section 2. Section <b>59-10-1032</b> is enacted to read:                                 |
| 48         | 59-10-1032. Nonrefundable tax credit for home-schooling parent.                          |
| <b>1</b> 9 | (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 is excused from school            |
| 56         | attendance in accordance with Subsection 53A-11-102(2).                                  |
| 57         | (c) "Parent" means an individual who:  |
| 58         | (i) is the biological mother or father of a home-schooled child:                         |

| 59 | (11) is the steptather 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, a claimant may claim a nonrefundable               |
| 66 | tax credit against a tax under this chapter of \$500 for each home-schooled child 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.  |
| 72 | (4) A tax credit under this section may be claimed once per home-schooled child per                |
| 73 | return for a taxable year.   |
| 74 | (5) A claimant may not carry forward or carry back a tax credit under this section.                |
| 75 | Section 3. Retrospective operation.  |
| 76 | This bill has retrospective operation for a taxable year beginning on or after January 1,          |
| 77 | <u>2014.</u>   |
|    |  |

Legislative Review Note as of 1-13-14 3:00 PM

Office of Legislative Research and General Counsel