

## HB0431S01 compared with HB0431

~~text~~ shows text that was in HB0431 but was deleted in HB0431S01.

text shows text that was not in HB0431 but was inserted into HB0431S01.

**DISCLAIMER:** This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative Steve Eliason proposes the following substitute bill:

### EDUCATOR TAX CREDIT

2014 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Steve Eliason**

Senate Sponsor: \_\_\_\_\_

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#### LONG TITLE

##### General Description:

This bill enacts a tax credit.

##### Highlighted Provisions:

This bill:

- ▶ defines terms; and
- ▶ enacts a nonrefundable tax credit for certain expenses an educator incurs.

##### 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.

##### Utah Code Sections Affected:

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ENACTS:

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

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

Section 1. Section **59-10-1032** is enacted to read:

**59-10-1032. Definitions -- Nonrefundable tax credit for eligible educator.**

(1) As used in this section:

(a) "Eligible educator" means a claimant who is:

(i) a teacher at a qualified school;

(ii) an instructor at a qualified school;

(iii) a counselor at a qualified school;

(iv) a principal at a qualified school; or

(v) an aide at a qualified school.

(b) (i) Subject to Subsection (1)(b)(ii), "qualified expense" means an amount paid or incurred during a taxable year for the following if used in a classroom:

(A) a book;

(B) computer equipment, including related software or a related service;

(C) other equipment;

(D) a supply; or

(E) supplementary material ~~{ used in a classroom }~~.

(ii) "Qualified expense" means, for purposes of a course in health or physical education, an amount paid or incurred for an item described in Subsection (1)(b)(i) only if the item is related to athletics.

(c) "Qualified school" means an elementary school or a secondary school that:

(i) is a public or private school located in the state; and

(ii) provides student instruction for one or more years of kindergarten through grade

12.

(2) Subject to the other provisions of this section, an eligible educator may claim a nonrefundable tax credit against a tax under this chapter for a qualified expense if the:

(a) eligible educator includes the qualified expense in adjusted gross income;

(b) qualified expense is not reimbursed by another person; and

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~~(b)(c)~~ ~~the~~ eligible educator works at least 900 hours during a school year in a qualified school.

(3) (a) For an eligible educator other than an eligible educator described in Subsection (3)(b)(i), a tax credit under this section is equal to the lesser of:

- (i) the qualified expenses the eligible educator incurs during the taxable year; or
- (ii) ~~250~~ 50.

(b) For an eligible educator who files a single federal individual income tax return jointly with the eligible educator's spouse, and the spouse is also an eligible educator, a tax credit under this section is equal to the lesser of:

- (i) the qualified expenses each eligible educator incurs during the taxable year; or
- (ii) ~~250~~ 50 per eligible educator.

(4) An eligible educator who claims a tax credit under this section shall retain a receipt for any amount for which the eligible educator claims a tax credit under this section.

(5) At the request of the commission, an eligible educator shall provide a receipt for any amount for which the eligible educator claims a tax credit under this section.

(6) An eligible educator may not carry forward or carry back a tax credit under this section.

### Section 2. Retrospective operation.

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

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### Legislative Review Note

~~as of 2-17-14 4:30 PM~~

~~Office of Legislative Research and General Counsel~~