

**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:**

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:



- 28 (i) a teacher at a qualified school;
- 29 (ii) an instructor at a qualified school;
- 30 (iii) a counselor at a qualified school;
- 31 (iv) a principal at a qualified school; or
- 32 (v) an aide at a qualified school.

33 (b) (i) Subject to Subsection (1)(b)(ii), "qualified expense" means an amount paid or  
34 incurred during a taxable year for:

- 35 (A) a book;
- 36 (B) computer equipment, including related software or a related service;
- 37 (C) other equipment;
- 38 (D) a supply; or
- 39 (E) supplementary material used in a classroom.

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

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

- 44 (i) is a public or private school located in the state; and
- 45 (ii) provides student instruction for one or more years of kindergarten through grade

46 12.

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

- 49 (a) the qualified expense is not reimbursed by another person; and
- 50 (b) the eligible educator works at least 900 hours during a school year in a qualified  
51 school.

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

- 54 (i) the qualified expenses the eligible educator incurs during the taxable year; or
- 55 (ii) \$250.

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

59 (i) the qualified expenses each eligible educator incurs during the taxable year; or

60 (ii) \$250 per eligible educator.

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

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

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

67 Section 2. **Retrospective operation.**

68 This bill has retrospective operation for a taxable year beginning on or after January 1,  
69 2014.

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**Legislative Review Note**  
as of 2-17-14 4:30 PM

**Office of Legislative Research and General Counsel**