

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

2 2015 GENERAL SESSION

3 STATE OF UTAH

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

5 Senate Sponsor: _____

7 **LONG TITLE**

8 **General Description:**

9 This bill enacts an individual income tax credit.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ defines terms;
- 13 ▶ enacts a tax credit for a home-schooling parent;
- 14 ▶ provides that the tax credit is subject to apportionment; and
- 15 ▶ requires the Revenue and Taxation Interim Committee to conduct a study related to

16 the tax credit.

17 **Money Appropriated in this Bill:**

18 None

19 **Other Special Clauses:**

20 This bill provides for retrospective operation.

21 **Utah Code Sections Affected:**

22 AMENDS:

23 **59-10-1002.2**, as last amended by Laws of Utah 2011, Chapter 302

24 ENACTS:

25 **59-10-1033**, Utah Code Annotated 1953

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



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

29 **59-10-1002.2. Apportionment of tax credits.**

30 (1) A nonresident individual or a part-year resident individual that claims a tax credit
31 in accordance with Section 59-10-1017, 59-10-1018, 59-10-1019, 59-10-1021, 59-10-1022,
32 59-10-1023, 59-10-1024, [or] 59-10-1028, or 59-10-1033 may only claim an apportioned
33 amount of the tax credit equal to:

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

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

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

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

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

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

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

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

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

48 Section 2. Section 59-10-1033 is enacted to read:

49 **59-10-1033. Nonrefundable tax credit for home-schooling parent.**

50 (1) As used in this section:

51 (a) "Home-schooled child" means a school-age minor who:

52 (i) is excused from school attendance in accordance with Subsection 53A-11-102(2);

53 and

54 (ii) a home-schooling parent claims as a dependent under Section 151, Internal
55 Revenue Code, on the home-schooling parent's federal individual income tax return for the
56 taxable year.

57 (b) "Home-schooling parent" means a parent:

58 (i) of a home-schooled child;

59 (ii) who has submitted the affidavit described in Subsection 53A-11-102(2); and
60 (iii) who claims the home-schooled child as a dependent under Section 151, Internal
61 Revenue Code, on the parent's federal individual income tax return for the taxable year.

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

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

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

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

66 (B) has a home-schooled child placed in the individual's home by a child placing
67 agency, as defined in Section 62A-4a-601, for the purpose of legally adopting the child;

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

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

70 (2) Except as provided in Section 59-10-1002.2 and subject to the other provisions of
71 this section, for a taxable year beginning on or after January 1, 2015, but beginning on or
72 before December 31, 2019, a claimant may claim a nonrefundable tax credit against a tax under
73 this chapter of \$500 for a home-schooled child if the claimant, or another claimant who files a
74 joint return under this chapter with the claimant, is a home-schooling parent.

75 (3) A home-schooling parent may claim a tax credit under this section regardless of
76 whether the home-schooled child participates in an extracurricular activity in a public school in
77 accordance with Section 53A-11-102.6.

78 (4) A home-schooling parent may not claim a tax credit under this section if the
79 home-schooled child is enrolled in a dual enrollment program described in Section
80 53A-11-102.5.

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

82 (6) On or before the November 2019 interim meeting, the Revenue and Taxation
83 Interim Committee shall study the tax credit provided in this section and make findings and
84 recommendations as to:

85 (a) the purpose and effectiveness of the tax credit; and

86 (b) whether the tax credit should be extended, modified, or repealed.

87 **Section 3. Retrospective operation.**

88 This bill has retrospective operation for a taxable year beginning on or after January 1,
89 2015.

Legislative Review Note
as of 12-23-14 11:39 AM

Office of Legislative Research and General Counsel