

**Representative David E. Lifferth** proposes the following substitute bill:

**TAX CREDIT FOR HOME-SCHOOLING PARENT**

2015 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: David E. Lifferth**

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

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**LONG TITLE**

**General Description:**

This bill enacts an individual income tax credit.

**Highlighted Provisions:**

This bill:

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

the tax credit.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides for retrospective operation.

**Utah Code Sections Affected:**

AMENDS:

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

ENACTS:

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) As used in this section:

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

(i) is excused from school attendance in accordance with Subsection [53A-11-102\(2\)](#);  
and

(ii) a home-schooling parent claims as a dependent under Section 151, Internal Revenue Code, on the home-schooling parent's federal individual income tax return for the 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 tax credit under this section may not exceed \$500 per return for a taxable year.  
76 (4) A home-schooling parent may claim a tax credit under this section regardless of  
77 whether the home-schooled child participates in an extracurricular activity in a public school in  
78 accordance with Section [53A-11-102.6](#).
- 79 (5) A home-schooling parent may not claim a tax credit under this section if the  
80 home-schooled child is enrolled in a dual enrollment program described in Section  
81 [53A-11-102.5](#).
- 82 (6) A claimant may not carry forward or carry back a tax credit under this section.  
83 (7) A claimant shall retain the affidavit described in Subsection [53A-11-102\(2\)](#), and  
84 any other records necessary to verify the claimant's eligibility to claim a tax credit under this  
85 section, for the same time period a person is required to keep books and records under Section  
86 [59-1-1406](#).
- 87 (8) On or before the November 2019 interim meeting, the Revenue and Taxation

88 Interim Committee shall study the tax credit provided in this section and make findings and  
89 recommendations as to:

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

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

92 **Section 3. Retrospective operation.**

93 This bill has retrospective operation for a taxable year beginning on or after January 1,  
94 2015.