

1                   **CORPORATE INCOME TAX CREDIT AMENDMENTS**

2                                   2020 GENERAL SESSION

3                                   STATE OF UTAH

4                           **Chief Sponsor: Stewart E. Barlow**

5                                   Senate Sponsor: Lincoln Fillmore

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7   **LONG TITLE**

8   **Committee Note:**

9           The Revenue and Taxation Interim Committee recommended this bill.

10                   Legislative Vote:    14 voting for   0 voting against    5 absent

11   **General Description:**

12           This bill provides for the repeal of the corporate Achieving a Better Life Experience  
13 Program income tax credit.

14   **Highlighted Provisions:**

15           This bill:

16           ▶       provides that a corporate contributor to an Achieving a Better Life Experience  
17 Program account may claim the income tax credit for the 2020 taxable year only;

18           and

19           ▶       schedules the repeal of the corporate Achieving a Better Life Experience Program  
20 income tax credit.

21   **Money Appropriated in this Bill:**

22           None

23   **Other Special Clauses:**

24           This bill provides retrospective operation.

25   **Utah Code Sections Affected:**

26   AMENDS:

27           **59-7-620**, as last amended by Laws of Utah 2017, Chapter 222



28 **63I-2-259**, as last amended by Laws of Utah 2018, Second Special Session, Chapter 6

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

31 Section 1. Section **59-7-620** is amended to read:

32 **59-7-620. Nonrefundable tax credit for contribution to state Achieving a Better**  
33 **Life Experience Program account.**

34 (1) As used in this section:

35 (a) "Account" means an account in a qualified ABLE program where the designated  
36 beneficiary of the account is a resident of this state.

37 (b) "Contributor" means a corporation that:

38 (i) makes a contribution to an account; and

39 (ii) receives a statement from the qualified ABLE program itemizing the contribution.

40 (c) "Designated beneficiary" means the same as that term is defined in 26 U.S.C. Sec.  
41 529A.

42 (d) "Qualified ABLE program" means the same as that term is defined in Section  
43 **35A-12-102**.

44 (2) [A] For a taxable year beginning on or after January 1, 2020, but beginning on or  
45 before December 31, 2020, a contributor to an account may claim a nonrefundable tax credit as  
46 provided in this section.

47 (3) Subject to the other provisions of this section, the tax credit is equal to the product  
48 of:

49 (a) 5%; and

50 (b) the total amount of contributions:

51 (i) the contributor makes for the taxable year; and

52 (ii) for which the contributor receives a statement from the qualified ABLE program  
53 itemizing the contributions.

54 (4) A contributor may not claim a tax credit under this section:

55 (a) for an amount of excess contribution to an account that is returned to the  
56 contributor; or

57 (b) with respect to an amount the contributor deducts on a federal income tax return.

58 (5) A tax credit under this section may not be carried forward or carried back.

59 Section 2. Section **63I-2-259** is amended to read:

60 **63I-2-259. Repeal dates -- Title 59.**

61 [~~(1) Section **59-1-102** is repealed on May 14, 2019.~~]

62 [~~(2)~~] (1) In Section **59-2-926**, the language that states "applicable" and "or  
63 **53F-2-301.5**" is repealed July 1, 2023.

64 [~~(3) Subsection **59-2-1007**(15) is repealed on December 31, 2018.~~]

65 (2) Section **59-7-620** is repealed December 31, 2021.

66 Section 3. **Retrospective operation.**

67 (1) Except as provided in Subsection (2), this bill has retrospective operation for a  
68 taxable year beginning on or after January 1, 2020.

69 (2) The amendments to Section 63I-2-259 take effect on May 12, 2020.