

SB0069S02 compared with SB0069S01

~~text~~ shows text that was in SB0069S01 but was deleted in SB0069S02.

text shows text that was not in SB0069S01 but was inserted into SB0069S02.

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.

Senator Jacob L. Anderegg proposes the following substitute bill:

TAX CREDIT FOR EDUCATOR EXPENSES

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jacob L. Anderegg

House Sponsor: _____

LONG TITLE

General Description:

This bill enacts a refundable income tax credit for certain educator expenses.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ enacts a refundable individual income tax credit that an eligible teacher may claim for certain out-of-pocket classroom expenses; and
- ▶ grants the State Tax Commission rulemaking authority.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

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Utah Code Sections Affected:

ENACTS:

59-10-1113, Utah Code Annotated 1953

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

Section 1. Section 59-10-1113 is enacted to read:

59-10-1113. Refundable tax credit for out-of-pocket classroom expenses.

(1) As used in this section:

(a) "Eligible teacher" means an individual:

(i) who is employed by a school ~~in the state that provides education for kindergarten, elementary, or secondary school students;~~; and

(ii) whose primary function is to provide:

(A) instructional services to students; or

(B) a combination of instructional and counseling services to students.

(b) (i) "Out-of-pocket classroom expense" means an expense paid or incurred by an eligible teacher in connection with the following, if used by the eligible teacher while providing instructional or counseling services to students:

(A) supplies;

(B) equipment, including computer equipment and related software or services; or

(C) supplementary materials.

(ii) "Out-of-pocket classroom expense" does not include an expense or any portion of an expense the claimant deducts on the claimant's federal individual income tax return as allowed by 26 U.S.C. Sec. 62(a)(2)(D).

(c) "School" means a public or private entity located in the state that:

(i) is an elementary school or a secondary school; and

(ii) provides instruction for one or more of the grades kindergarten through 12.

(2) For a taxable year beginning on or after January 1, 2021, a claimant who is an eligible teacher may claim a refundable tax credit:

(a) as provided in this section; and

(b) in an amount equal to the eligible teacher's out-of-pocket classroom expenses during the taxable year.

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(3) For a taxable year, a tax credit under this section may not exceed \$1,000 per eligible teacher on a return.

(4) (a) In accordance with any rules made by the commission under Subsection (4)(b), the commission shall make a refund to a claimant who claims a tax credit under this section if the amount of the tax credit exceeds the claimant's tax liability for the taxable year.

(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules providing procedures for making a refund to a claimant as required by Subsection (4)(a).