

SB0069S03 compared with SB0069S02

~~deleted text~~ shows text that was in SB0069S02 but was deleted in SB0069S03.

inserted text shows text that was not in SB0069S02 but was inserted into SB0069S03.

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; 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) "Classroom supply" means:~~

~~(i) a book;~~

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

~~(iii) other equipment;~~

~~(C) (iv) supplementary materials.~~

~~(i) material; or~~

~~(v) other supplies.~~

~~(b) (i) "Eligible teacher" means an individual:~~

~~(A) who is employed to work in a school; and~~

~~(B) whose primary function is to provide instructional services to students or a combination of instructional and counseling services to students.~~

~~(ii) "Eligible teacher" does not include a substitute teacher.~~

~~(c) (i) "Out-of-pocket classroom expense" means an amount paid or incurred by an~~

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eligible teacher for a classroom supply, if the classroom supply is primarily used:

(A) in a classroom while the eligible teacher provides instructional services to students;

(B) while the eligible teacher provides counseling services to students at school; or

(C) a combination of the activities described in Subsections (1)(c)(i)(A) and (B).

(ii) "Out-of-pocket classroom expense" does not include an ~~expense or any portion of~~
~~an expense~~ amount that:

(A) the claimant deducts on the claimant's federal individual income tax return as
allowed by 26 U.S.C. Sec. 62(a)(2)(D); or

(B) is reimbursed by another person.

~~(c)~~(d) "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.

(3) For a taxable year, a tax credit under this section may not exceed ~~(\$1,000)~~ \$500 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).