

INCOME TAX AGE REQUIREMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kera Birkeland

Senate Sponsor: Daniel McCay

LONG TITLE

General Description:

This bill modifies the circumstances under which an individual is exempt from taxation on income.

Highlighted Provisions:

This bill:

- ▶ provides that W-2 income of minors is exempt from income tax.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

59-10-104.1, as last amended by Laws of Utah 2008, Chapter 389

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

Section 1. Section **59-10-104.1** is amended to read:

59-10-104.1. Exemption from taxation.

(1) For purposes of this section:

(a) "Personal exemptions" means the total exemption amount an individual is allowed to claim for the taxable year under Section 151, Internal Revenue Code, for:



- 28 (i) the individual;
- 29 (ii) the individual's spouse; and
- 30 (iii) the individual's dependents.

31 (b) "Standard deduction":

32 (i) means the standard deduction an individual is allowed to claim for the taxable year
33 under Section 63, Internal Revenue Code; and

34 (ii) notwithstanding Subsection (1)(b)(i), does not include an additional amount
35 allowed under Section 63(f), Internal Revenue Code, for an individual or an individual's spouse
36 who is:

37 (A) blind; or

38 (B) 65 years of age or older.

39 (2) [~~For taxable years beginning on or after January 1, 2002, an~~] An individual is
40 exempt from a tax imposed by Section 59-10-104 or 59-10-116 if the individual's adjusted
41 gross income on the individual's federal individual income tax return for the taxable year is less
42 than or equal to the sum of the individual's:

43 (a) personal exemptions for that taxable year; and

44 (b) standard deduction for that taxable year.

45 (3) (a) An individual who is 17 years old or younger on the last day of the individual's
46 taxable year is exempt from a tax imposed by Section 59-10-104 or 59-10-116 on the
47 individual's W-2 income reported on the individual's federal individual income tax return.

48 (b) If the individual who is 17 years old or younger on the last day of the individual's
49 taxable year is married and has a joint filing status on the federal income tax return, the
50 exemption described in this Subsection (3) applies only to the W-2 income reported on the
51 individual's federal individual income tax return and attributable to an individual who is 17
52 years old or younger on the last day of the individual's taxable year.

53 Section 2. **Effective date.**

54 This bill takes effect for a taxable year beginning on or after January 1, 2025.