

**PROPERTY TAX INCOME REQUIREMENTS**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Todd D. Weiler**

House Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill modifies provisions of the Property Tax Act.

**Highlighted Provisions:**

This bill:

- ▶ increases the income limit for a claimant to qualify for a homeowner's credit;
- ▶ increases the income limit for a claimant to qualify for a renter's credit; and
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides retrospective operation.

**Utah Code Sections Affected:**

AMENDS:

**59-2-1208**, as last amended by Laws of Utah 2021, Chapter 391

**59-2-1209**, as last amended by Laws of Utah 2022, Chapter 196

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

Section 1. Section **59-2-1208** is amended to read:

**59-2-1208. Amount of homeowner's credit -- Cost-of-living adjustment --**

**Limitation -- General Fund as source of credit.**



28 (1) (a) Subject to ~~[Subsections]~~ Subsection (2) ~~[and (4)]~~, for a calendar year beginning  
 29 on or after January 1, ~~[2021]~~ 2024, a claimant may claim a homeowner's credit that does not  
 30 exceed the following amounts:

31	If household income is	Homeowner's credit
32	\$0 -- <del>[\$11,785]</del> <u>\$18,000</u>	\$1,027
33	<del>[\$11,786]</del> <u>\$18,001</u> -- <del>[\$15,716]</del> <del>\$22,000</del>	\$896
34	<del>[\$15,717]</del> <u>\$22,001</u> -- <del>[\$19,643]</del> <del>\$26,000</del>	\$768
35	<del>[\$19,644]</del> <u>\$26,001</u> -- <del>[\$23,572]</del> <del>\$30,000</del>	\$575
36	<del>[\$23,573]</del> <u>\$30,001</u> -- <del>[\$27,503]</del> <del>\$34,000</del>	\$448
37	<del>[\$27,504]</del> <u>\$34,001</u> -- <del>[\$31,198]</del> <del>\$38,000</del>	\$256
38	<del>[\$31,199]</del> <u>\$38,001</u> -- <del>[\$34,666]</del> <del>\$42,000</del>	\$126

39 (b) For a calendar year beginning on or after January 1, ~~[2022]~~ 2025, the commission  
 40 shall increase or decrease the household income eligibility amounts and the credits under  
 41 Subsection (1)(a) by a percentage equal to the percentage difference between the ~~[consumer~~  
 42 ~~price index]~~ Consumer Price Index housing for the preceding calendar year and the ~~[consumer~~  
 43 ~~price index]~~ Consumer Price Index housing for calendar year ~~[2020]~~ 2023.

44 (2) (a) An individual may not receive the homeowner's credit under this section or the  
 45 tax relief described in Subsection 59-2-1202(10)(a) on 20% of the fair market value of the  
 46 residence if:

47 (i) the individual is claimed as a personal exemption on another individual's federal  
 48 income tax return during any portion of a calendar year for which the individual seeks to claim  
 49 the homeowner's credit under this section;

50 (ii) the individual is a dependent with respect to whom another individual claims a tax  
 51 credit under Section 24(h)(4), Internal Revenue Code, during any portion of a calendar year for

52 which the individual seeks to claim the homeowner's credit under this section; or

53 (iii) the individual did not own the residence for the entire calendar year for which the  
54 individual claims the homeowner's credit.

55 (b) For a calendar year in which a residence is sold, the amount received as a  
56 homeowner's credit under this section or as tax relief described in Subsection 59-2-1202(10)(a)  
57 on 20% of the fair market value of the residence shall be repaid to the county on or before the  
58 day on which the sale of the residence closes.

59 (3) A payment for a homeowner's credit allowed by this section, and provided for in  
60 Section 59-2-1204, shall be paid from the General Fund.

61 [~~(4) For a calendar year that begins on or after January 1, 2018, after the commission  
62 has adjusted the homeowner credit amount under Subsection (1)(b), the commission shall  
63 increase each homeowner credit amount under Subsection (1) by the following amounts:]~~

64 [~~(a) for a calendar year that begins on January 1, 2018, \$14;~~

65 [~~(b) for a calendar year that begins on January 1, 2019, \$22;~~

66 [~~(c) for a calendar year that begins on January 1, 2020, \$31;~~

67 [~~(d) for a calendar year that begins on January 1, 2021, \$40; and]~~

68 [~~(e) for a calendar year that begins on or after January 1, 2022, \$49.]~~

69 Section 2. Section 59-2-1209 is amended to read:

70 **59-2-1209. Amount of renter's credit -- Cost-of-living adjustment -- Renter's**  
71 **credit may be claimed only for gross rent that does not constitute a rental assistance**  
72 **payment -- Calculation of credit when rent includes utilities -- Limitation -- General Fund**  
73 **as source of credit -- Maximum credit.**

74 (1) (a) Subject to Subsections (2) and (3), for a calendar year beginning on or after  
75 January 1, [~~2021~~] 2024, a claimant may claim a renter's credit for the previous calendar year  
76 that does not exceed the following amounts:

If household income is	Percentage of gross rent allowed as a credit
\$0 -- [ <del>\$11,785</del> ] <u>\$18,000</u>	9.5%
[ <del>\$11,786</del> ] <u>\$18,001</u> -- [ <del>\$15,716</del> ] <u>\$22,000</u>	8.5%

80	<del>[\$15,717]</del> <u>\$22,001</u> -- <del>[\$19,643]</del> <u>\$26,000</u>	7.0%
81	<del>[\$19,644]</del> <u>\$26,001</u> -- <del>[\$23,572]</del> <u>\$30,000</u>	5.5%
82	<del>[\$23,573]</del> <u>\$30,001</u> -- <del>[\$27,503]</del> <u>\$34,000</u>	4.0%
83	<del>[\$27,504]</del> <u>\$34,001</u> -- <del>[\$31,198]</del> <u>\$38,000</u>	3.0%
84	<del>[\$31,199]</del> <u>\$38,001</u> -- <del>[\$34,666]</del> <u>\$42,000</u>	2.5%

85 (b) For a calendar year beginning on or after January 1, ~~[2022]~~ 2025, the commission  
 86 shall increase or decrease the household income eligibility amounts under Subsection (1)(a) by  
 87 a percentage equal to the percentage difference between the ~~[consumer price index]~~ Consumer  
 88 Price Index housing for the preceding calendar year and the ~~[consumer price index]~~ Consumer  
 89 Price Index housing for calendar year ~~[2020]~~ 2023.

90 (2) A claimant may claim a renter's credit under this part only for gross rent that does  
 91 not constitute a rental assistance payment.

92 (3) For purposes of calculating gross rent when a claimant's rent includes electricity or  
 93 natural gas and the utility amount is not itemized in the statement provided in accordance with  
 94 Section 59-2-1213, the commission shall deduct from rent:

95 (a) 7% of rent if the rent includes electricity or natural gas but not both; or

96 (b) 13% of rent if the rent includes both electricity and natural gas.

97 (4) An individual may not receive the renter's credit under this section if the individual  
 98 is:

99 (a) claimed as a personal exemption on another individual's federal income tax return  
 100 during any portion of a calendar year for which the individual seeks to claim the renter's credit  
 101 under this section; or

102 (b) a dependent with respect to whom another individual claims a tax credit under  
 103 Section 24(h)(4), Internal Revenue Code, during any portion of a calendar year for which the  
 104 individual seeks to claim the renter's credit under this section.

105 (5) A payment for a renter's credit allowed by this section, and provided for in Section  
106 [59-2-1204](#), shall be paid from the General Fund.

107 (6) A credit under this section may not exceed the maximum amount allowed as a  
108 homeowner's credit for each income bracket under Subsection [59-2-1208](#)(1)(a).

109 Section 3. **Effective date.**

110 This bill takes effect on May 1, 2024.

111 Section 4. **Retrospective operation.**

112 This bill has retrospective operation for a taxable year beginning on or after January 1,  
113 2024.