

SPECIAL NEEDS ADOPTION TAX CREDIT

2013 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Jennifer M. Seelig

LONG TITLE

Committee Note:

The Revenue and Taxation Interim Committee recommended this bill.

General Description:

This bill amends the Refundable Tax Credit Act to address a tax credit for the adoption of a child who has a special need.

Highlighted Provisions:

This bill:

- ▶ modifies the refundable income tax credit for the adoption of a child who has a special need; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill has retrospective operation for a taxable year beginning on or after January 1, 2013.

Utah Code Sections Affected:

AMENDS:

59-10-1104, as renumbered and amended by Laws of Utah 2006, Chapter 223

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



28 Section 1. Section **59-10-1104** is amended to read:

29 **59-10-1104. Tax credit for adoption of a child who has a special need.**

30 (1) As used in this section, a "child who has a special need" means a child who meets
31 at least one of the following conditions:

32 (a) the child is five years of age or older;

33 (b) the child:

34 (i) is under the age of 18; and

35 (ii) has a physical, emotional, or mental disability; or

36 (c) the child is a member of a sibling group placed together for adoption.

37 (2) ~~[For taxable years beginning on or after January 1, 2005]~~ Subject to the other
38 provisions of this section, a claimant who adopts ~~[in this state]~~ a child who has a special need
39 may claim a refundable tax credit of \$1,000:

40 (a) for each child who has a special need who the claimant adopts;

41 (b) on the claimant's individual income tax return for the taxable year [a refundable tax
42 credit of \$1,000]; and

43 (c) against taxes otherwise due under this chapter [for:].

44 ~~[(a) adoptions for which a court issues an order granting the adoption on or after~~
45 ~~January 1, 2005;]~~

46 ~~[(b) the taxable year during which a court issues an order granting the adoption; and]~~

47 ~~[(c) each child who has a special need whom the claimant adopts.]~~

48 (3) For a claimant to qualify for the tax credit described in Subsection (2) for an
49 adoption:

50 (a) the order that grants the adoption shall be issued:

51 (i) on or after January 1, 2013; and

52 (ii) by:

53 (A) a court of competent jurisdiction of this state or another state; or

54 (B) a foreign country;

55 (b) the claimant shall be a resident of this state on the date the order described in
56 Subsection (3)(a) is issued; and

57 (c) for an adoption made by a foreign country, the adoption shall be registered in
58 accordance with Section 78B-6-142.

59 (4) (a) For an adoption for which a court of competent jurisdiction of this state or
60 another state issues the order described in Subsection (3)(a), a claimant may claim a tax credit
61 for the taxable year for which the adoption order becomes final.

62 (b) For an adoption for which a foreign country issues the order described in
63 Subsection (3)(a), a claimant may claim a tax credit for the taxable year for which a court of
64 competent jurisdiction in this state orders the state registrar to file the adoption order issued by
65 the foreign country.

66 ~~[(3)]~~ (5) The credit provided for in this section may not be carried forward or carried
67 back.

68 ~~[(4)]~~ (6) Nothing in this section shall affect the ability of any claimant who adopts a
69 child who has a special need to receive adoption assistance under Section 62A-4a-907.

70 Section 2. **Retrospective operation.**

71 This bill has retrospective operation for a taxable year beginning on or after January 1,
72 2013.

Legislative Review Note
as of 12-7-12 10:38 AM

Office of Legislative Research and General Counsel