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PROPERTY TAX INCOME REQUIREMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Todd D. Weiler

House Sponsor: Steve Eliason

LONG TITLE

General Description:

This bill modifies provisions of the Property Tax Act.

Highlighted Provisions:

This bill:

- aligns the maximum annual amount allowed for a renter's credit with the amount allowed for a homeowner's credit; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides retrospective operation.

Utah Code Sections Affected:

AMENDS:

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

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

Section 1. Section **59-2-1209** is amended to read:

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

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

29	If household income is	Percentage of gross rent allowed as a credit
30	\$0 -- \$11,785	9.5%
31	\$11,786 -- \$15,716	8.5%
32	\$15,717 -- \$19,643	7.0%
33	\$19,644 -- \$23,572	5.5%
34	\$23,573 -- \$27,503	4.0%
35	\$27,504 -- \$31,198	3.0%
36	\$31,199 -- \$34,666	2.5%

- 37 (b) For a calendar year beginning on or after January 1, 2022, the commission shall
38 increase or decrease the household income eligibility amounts under Subsection
39 (1)(a) by a percentage equal to the percentage difference between the [~~consumer price~~
40 ~~index~~] Consumer Price Index housing for the preceding calendar year and the [
41 ~~consumer price index~~] Consumer Price Index housing for calendar year 2020.
- 42 (2) A claimant may claim a renter's credit under this part only for gross rent that does not
43 constitute a rental assistance payment.
- 44 (3) For purposes of calculating gross rent when a claimant's rent includes electricity or
45 natural gas and the utility amount is not itemized in the statement provided in
46 accordance with Section 59-2-1213, the commission shall deduct from rent:
- 47 (a) 7% of rent if the rent includes electricity or natural gas but not both; or
- 48 (b) 13% of rent if the rent includes both electricity and natural gas.
- 49 (4) An individual may not receive the renter's credit under this section if the individual is:
- 50 (a) claimed as a personal exemption on another individual's federal income tax return
51 during any portion of a calendar year for which the individual seeks to claim the
52 renter's credit under this section; or
- 53 (b) a dependent with respect to whom another individual claims a tax credit under
54 Section 24(h)(4), Internal Revenue Code, during any portion of a calendar year for
55 which the individual seeks to claim the renter's credit under this section.
- 56 (5) A payment for a renter's credit allowed by this section, and provided for in Section
57 59-2-1204, shall be paid from the General Fund.
- 58 (6) A credit under this section may not exceed the maximum amount allowed as a
59 homeowner's credit for each income bracket under [~~Subsection 59-2-1208(1)(a)~~] Section
60 59-2-1208.

61 Section 2. **Effective date.**

62 This bill takes effect on May 1, 2024.

63 Section 3. **Retrospective operation.**

64 This bill has retrospective operation for a taxable year beginning on or after

65 January 1, 2024.