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:

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

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

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

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

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

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

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

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

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

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

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

Section 2. **Effective date.**

This bill takes effect on May 1, 2024.

Section 3. **Retrospective operation.**

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