

Utah State Tax Commission Tax and Revenue



Utah State Tax Commission

- Monthly webinars of various tax topics.
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Utah State Tax Commission Monthly Webinars

tax.utah.gov/training/webinars

Tax Webinars & Videos

Each month, the Tax Commission holds live public webinars on various tax topics, with access to the recording after the event. We'll also add other training items here as needed. The links will appear below as they're available.



Income Tax Credit Review Part-2 Upcoming Webinars

When: **March 27, 2025**

Time: **10:00am, Mountain Time**

Description: Join us for part two of this two part series where we will do a deep dive into available Utah income tax credits. We will review non-apportionable non refundable, non-apportionable refundable as well as unpublished tax credits administered by other Utah state agencies.

[Register](#)

Information presented in past webinar recordings is current as of the date of the recording and may not reflect legislative and other subsequent changes. For the most up-to-date information, please refer to our [Forms and Publications](#) and our [Recent Info and Tax Law Changes](#) page.

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Search:

Date	Title	Category/Tax Type	Links
Feb 20, 2025	Income Tax Credit Review Part-1	Income Tax	Video Link PDF
Jan 16, 2025	What's new for the 2024 Income Tax season	Income Tax	Video Link PDF
Dec 19, 2024	Construction Industry Sales and Use Tax	Sales Tax	Video Link PDF
Nov 21, 2024	General Pass Through Entity Topics – SALT	Income Tax	Video Link PDF
Oct 17, 2024	Lodging Transient Room Taxes	Sales Taxes	Video Link PDF
Sep 19, 2024	Retirement Tax Topics and Credits	Individual Income Tax Credit	Video Link PDF
Aug 15, 2024	Restaurants, Facilitators and Grocery Foods	Sales Tax	MP4 PDF
Jul 18, 2024	Health Benefit Plan Credit	Individual Income Tax Credit	MP4 PDF
Jun 20, 2024	Sales Tax Refund Process	Sales Taxes	MP4 PDF
May 16, 2024	Military Income Common Topics and Credits	Income tax	MP4 PDF



Individual Income Tax Credit Review – Part 2



Topics

Continued from February 2025 Webinar

- **Non-Appportionable Nonrefundable Credits**
- **Non-Appportionable Refundable Credit**
- **Unpublished Certificated Credits**



Utah Tax Credit Resources

- For a listing of Utah tax credits , please visit [incometax.utah.gov](https://www.incometax.utah.gov).
- Utah Individual Income Tax [2024 TC-40 Instructions](#).
- Utah Code Section [59-10 part 10](#) for Nonrefundable Tax Credits.
- Utah Code Section [59-10 part 11](#) for Refundable Tax Credits.
- Utah Administrative Rule [R865-91](#).



TC-40 Schedule A

Part 3 - Apportionable Nonrefundable Credits (enter the code and amount of each credit)
See instructions or incometax.utah.gov for codes.

If you are using credit 18 (Retirement Credit), enter your birth date(s):
You • / / Spouse • / /
mm/dd/yy mm/dd/yy

Code	Amount
• <input type="text"/>	<input type="text"/> .00
• <input type="text"/>	<input type="text"/> .00
• <input type="text"/>	<input type="text"/> .00
• <input type="text"/>	<input type="text"/> .00
• <input type="text"/>	<input type="text"/> .00
• <input type="text"/>	<input type="text"/> .00
• <input type="text"/>	<input type="text"/> .00
Total apportionable nonrefundable credits (add all Part 3 credits and enter total here and on TC-40, line 24)	<input type="text"/> .00

Part 4 - Nonapportionable Nonrefundable Credits (enter the code and amount of each credit)
See instructions or incometax.utah.gov for codes.

If you are using credit 02 (Qualified Sheltered Workshop), enter the sheltered workshop's name:

Code	Amount
• <input type="text"/>	<input type="text"/> .00
• <input type="text"/>	<input type="text"/> .00
• <input type="text"/>	<input type="text"/> .00
• <input type="text"/>	<input type="text"/> .00
• <input type="text"/>	<input type="text"/> .00
Total nonapportionable nonrefundable credits (add all Part 4 credits and enter total here and on TC-40, line 26)	<input type="text"/> .00

Codes for Apportionable Nonrefundable Credits, TC-40A Part 3

- 04 Capital gain transactions credit
- 18 Retirement credit
- 20 my529 credit
- 23 Health benefit plan credit
- 26 Gold and silver coin sale credit
- AH Social Security benefits credit
- AJ Military retirement credit
- AM Earned income tax credit
- AS Nonrefundable adoption expenses credit
- AT Child tax credit

Codes for Nonapportionable Nonrefundable Credits, TC-40A Part 4

- 01 At-home parent credit
- 02 Qualified sheltered workshop cash contribution credit
- 06 Historic preservation credit
- 12 Credit for increasing research activities in Utah
- 13 Carryforward of credit for machinery and equipment used to conduct research
- 17 Credit for income tax paid to another state
- 19 Live organ donation expenses credit
- 21 Renewable residential energy systems credit
- 25 Combat related death credit
- 27 Veteran employment credit
- 28 Employing persons who are homeless credit
- 63 Achieving a Better Life Experience (ABLE) program credit
- AA Military survivor benefits credit
- AG Carson Smith Opportunity Scholarship Program credit
- AP Pass-through entity taxpayer income tax credit



TC-40 Schedule A

Part 5 - Nonapportionable Refundable Credits (enter the code and amount of each credit)

See instructions or incometax.utah.gov for codes.

Code	Amount
•	_____ .00
•	_____ .00
•	_____ .00
•	_____ .00
•	_____ .00
•	_____ .00
Total nonapportionable refundable credits (add all Part 5 credits and enter total here and on TC-40, line 36)	_____ .00

Codes for Nonapportionable Refundable Credits, TC-40A Part 5

- 39 Renewable commercial energy systems credit
- 47 Agricultural off-highway gas/undyed diesel credit
- 48 Farm operation hand tools credit

Part 6 - Apportionable Refundable Credits (enter the code and amount of each credit)

See instructions or incometax.utah.gov for codes.

Code	Amount
•	_____ .00
•	_____ .00
•	_____ .00
•	_____ .00
a. Total apportionable refundable credits (add all Part 6 credits and enter total here)	a. _____ .00
b. If you are a nonresident or a part-year resident, enter the apportionment fraction from TC-40B, line 39: If you are a full-year Utah resident, enter "1".	b. _____
c. Apportioned refundable credits (multiply line a by line b and enter the total here) Enter this amount on TC-40, line 37.	c. _____ .00

Codes for Apportionable Refundable Credits, TC-40A Part 6

- ME Refundable adoption expenses credit



Non-Appportionable Nonrefundable Credits

Codes for Non-Appportionable Nonrefundable Credits, TC-40A Part 4

- [01 – At-home parent credit](#)
- [02 – Qualified sheltered workshop cash contribution credit](#)
- [06 – Historic preservation credit](#)
- [12 – Credit for increasing research activities in Utah](#)
- [17 – Credit for income tax paid to another state](#)
- [19 – Live organ donation expenses credit](#)
- [21 – Renewable residential energy systems credit](#)



Non-Appportionable Nonrefundable Credits

(Continued)

Codes for Non-Appportionable Nonrefundable Credits, TC-40A Part 4

- [25 – Combat related death credit](#)
- [27 – Veteran employment credit](#)
- [28 – Employing persons who are homeless credit](#)
- [63 – Achieving a Better Life Experience \(ABLE\) program credit](#)
- [AA – Military survivor benefits credit](#)
- [AG – Carson Smith Opportunity Scholarship Program credit](#)
- [AP – Pass-through entity taxpayer income tax credit](#)



At Home Parent Credit

(Code 01)

- An at-home parent may claim a **nonrefundable** credit of \$100 for each child **12 months old or younger** on the last day of the tax year.
- An at-home parent includes the:
 - biological mother or father,
 - stepmother or stepfather,
 - adoptive parents,
 - foster parents,
 - legal guardian, and
 - persons housing a child placed by a child-placing agency for legal adoption.



At Home Parent Credit

(Continued)

- To qualify for the credit, all of the following conditions must be met:
 - The child must be 12 months or younger on the last day of 2024;
 - the at-home parent must provide full-time care in their residence;
 - the child must be claimed as a dependent on the at-home parent's return;
 - the total of the at-home parent's wages, tips and compensation listed on federal W-2 forms and the gross income on federal Schedule C, Profit or Loss from Business, line 7, must be **\$3,000 or less for the taxable year**; and
 - the federal adjusted gross income (TC-40, line 4) must **be \$50,000 or less**.

Note: You may not carry forward or back any credit that is more than your tax liability.



Qualified Sheltered Workshop Cash Contribution

(Code 02)

Cash contributions made during the tax year to a qualified Utah nonprofit rehabilitation sheltered workshop facility for persons with disabilities are eligible for the credit.

- Check with the workshop to make sure they have a current Day Training Provider License or Day Support Provider Certificate issued by the Department of Human Services.

The tax credit is the lesser of **\$200 or 50 percent** of the total cash contributions.

There is no form for this credit. Keep all related documents with your records



Qualified Sheltered Workshop Cash Contribution

(Continued)

You must enter the name of the qualified workshop on TC-40A, Part 4 to claim the credit.

- For more information contact:
Division of Services for People with Disabilities
195 North 1950 West
Salt Lake City, UT 84116
385-799-1842
dspd.utah.gov



Note: You may not carry forward or back any credit that is more than your tax liability.

Historic Preservation Credit

(Code 06)

The Utah State Historic Preservation Tax Credit program offers a 20% tax credit to owners who rehabilitate qualified buildings listed on the National Register of Historic Places.

In addition to being listed the program requires:

- Project costs exceed \$10,000
- The rehabilitation follows the [Secretary of the Interior's Standards for Rehabilitation](#). For guidance on how to apply the Standards, see the [Secretary of the Interior's Guidelines for Rehabilitation](#).
- The building is used for residential purposes going forward.
 - In the case of residential rental properties, the State credit can sometimes be combined with the Federal credit, resulting in a 40% tax credit between the state and federal returns.



Historic Preservation Credit

(Code 06)

Receive form *TC-40H, Historic Preservation Tax Credit* from the State Historic Preservation Office certifying the credit is approved.

Do not send form TC-40H with your return. Keep the form and all related documents with your records to provide the Tax Commission upon request.

Note: You may carry forward for the next five years any credit that is more than your tax liability.

For applications and detailed information regarding this credit, contact:

Utah State Historic Preservation Office

3760 S Highland Drive

Salt Lake City, UT 84106

801-245-7277

ushpo.utah.gov/shpo/financial-incentives/



Credit for Increasing Research Activities in Utah

(Code 12)

This credit is:

1. 5 percent of your qualified expenses for increasing research activities in Utah above a base amount;
2. 5 percent of certain payments made to a qualified organization increasing basic research in Utah above a base amount; and
3. 7.5 percent of your qualified research expenses in Utah for the current tax year.

IRC 46 (c)

(1) The term “[base amount](#)” means the product of—

(A) the fixed-base percentage, and

(B) the average annual gross receipts of the taxpayer for the 4 taxable years preceding the taxable year for which the credit is being determined.

(1) “qualified research expenses” means the sum of the following amounts which are paid or incurred by the taxpayer during the taxable year in carrying on any trade or business of the taxpayer— (A) in-house research expenses, and (B) contract research expenses.



Credit for Increasing Research Activities in Utah

(Continued)

(ii) Fixed-base percentage—

- (I) 3 percent for each of the taxpayer's 1st 5 taxable years beginning after December 31, 1993, for which the taxpayer has [qualified research expenses](#),
- (II) in the case of the taxpayer's 6th such taxable year, $\frac{1}{6}$ of the percentage which the aggregate [qualified research expenses](#) of the taxpayer for the 4th and 5th such taxable years is of the aggregate gross receipts of the taxpayer for such years,
- (III) in the case of the taxpayer's 7th such taxable year, $\frac{1}{3}$ of the percentage which the aggregate [qualified research expenses](#) of the taxpayer for the 5th and 6th such taxable years is of the aggregate gross receipts of the taxpayer for such years,
- (IV) in the case of the taxpayer's 8th such taxable year, $\frac{1}{2}$ of the percentage which the aggregate [qualified research expenses](#) of the taxpayer for the 5th, 6th, and 7th such taxable years is of the aggregate gross receipts of the taxpayer for such years,

Note: You may carry forward for the next 14 years any credit for 1 or 2 (on previous slide) that is more than your tax liability. You may not carry forward any credit for 3 (on previous slide).



Credit for Increasing Research Activities

OMB No. 1545-0619

Attach to your tax return.
 Go to www.irs.gov/Form6765 for instructions and the latest information.

Attachment
 Sequence No. **676**

Name(s) shown on return	Identifying number

- A** Are you electing the reduced credit under section 280C? See instructions Yes No
- B** Are you a member of a controlled group or business under common control? Yes No
- If "Yes," complete and attach the required statement. See instructions for required attachment.

Section A—Regular Credit. Skip this section and go to Section B if you are electing or previously elected (and are not revoking) the alternative simplified credit.

1	Certain amounts paid or incurred to energy consortia (see instructions)			1	
2	Basic research payments to qualified organizations (see instructions)	2			
3	Qualified organization base period amount	3			
4	Subtract line 3 from line 2. If zero or less, enter -0-			4	
Note: Complete Section F before going to line 5.					
5	Total qualified research expenses (QREs). Enter amount from line 48	5			
6	Enter fixed-base percentage, but not more than 16% (0.16). See instructions	6		%	
7	Enter average annual gross receipts. See instructions	7			
8	Multiply line 7 by the percentage on line 6	8			
9	Subtract line 8 from line 5. If zero or less, enter -0-	9			
10	Multiply line 5 by 50% (0.50)	10			
11	Enter the smaller of line 9 or line 10			11	
12	Add lines 1, 4, and 11			12	
13	If you elect to reduce the credit under section 280C, then multiply line 12 by 15.8% (0.158). If not, multiply line 12 by 20% (0.20) and see instructions for the statement that must be attached			13	

Section B—Alternative Simplified Credit. Skip this section if you are completing Section A.

14	Certain amounts paid or incurred to energy consortia (see the line 1 instructions)			14	
15	Basic research payments to qualified organizations (see the line 2 instructions)	15			
16	Qualified organization base period amount (see the line 3 instructions)	16			
17	Subtract line 16 from line 15. If zero or less, enter -0-			17	
18	Add lines 14 and 17			18	
19	Multiply line 18 by 20% (0.20)			19	
Note: Complete Section F before going to line 20.					
20	Total qualified research expenses (QREs). Enter amount from line 48	20			
21	Enter your total QREs for the prior 3 tax years. If you had no QREs in any 1 of those years, skip lines 22 and 23	21			
22	Divide line 21 by 6.0	22			
23	Subtract line 22 from line 20. If zero or less, enter -0-	23			
24	Multiply line 23 by 14% (0.14). If you skipped lines 22 and 23, multiply line 20 by 6% (0.06)			24	
25	Add lines 19 and 24			25	
26	If you elect to reduce the credit under section 280C, then multiply line 25 by 79% (0.79). If not, enter the amount from line 25 and see the line 13 instructions for the statement that must be attached			26	



Income Tax Paid To Another State

(Code 17)

If you are a Utah resident or part-year resident with income that is taxed by Utah and another state(s), the District of Columbia, or a possession of the United States, you may be entitled to a credit for income tax paid to the other state(s). **Nonresidents do not qualify for this credit.** Complete Schedule B to see if your income was taxed by both states.

You can only take this credit for individual income tax. You may take this credit for taxes paid to another state by a pass-through entity only if the income is included on TC-40, line 9 (Utah taxable income).



Income Tax Paid To Another State

(Code 17)

Complete and attach form [TC-40S, Credit for Income Tax Paid to Another State](#). If there are two or more states, calculate each state separately. Carry the sum of the credits from TC-40S, line 7 to TC-40A, Part 4, using code 17.

Do not use the state income tax withheld from form W-2 as the tax paid to the other state. You must complete and file the other state's return to determine the tax amount paid. You may have to provide additional information later to verify this credit.



Income Tax Paid To Another State

(Continued)

Part-year residents rarely qualify for this credit. If you are domiciled in Utah for part of the year and domiciled in another state for part of the year, you may only claim credit on the portion of income:

1. taxable in Utah,
2. taxed also by the other state(s), and
3. included in “Column A – Utah” income on form TC-40B.

Part-year residents must prorate and enter the tax paid to the other state(s) on TC-40S, line 6. The credit only applies to tax paid on the part of your income (TC-40, line 1) taxed by both states.

- Keep a signed copy of the other state’s return and all related documents with your records.

Note: You may not carry forward or back any credit that is more than your tax liability.



Income Tax Paid To Another State

(Continued)

Clear form

40408 **Credit for Income Tax Paid to Another State**
SSN 555-55-5555 Last name Doe

TC-40S
2024

NOTE: Part-year residents rarely qualify for this credit. Nonresidents do not qualify for this credit. See instructions.

FIRST STATE

- | | | | | |
|---|--|---|--------------------|-----|
| 1 | Enter federal adjusted gross income taxed by both Utah and state of: <u>CA</u> | 1 | <u>75000</u> | .00 |
| 2 | Federal adjusted gross income from TC-40, line 4 (see instructions) | 2 | <u>125000</u> | .00 |
| 3 | Divide line 1 by line 2; round to 4 decimal places. Do not enter a number greater than 1.0000. | 3 | <u>0 . 6 0 0 0</u> | |
| 4 | Utah income tax from TC-40, line 22. Part-year residents, see instructions. | 4 | <u>5000</u> | .00 |
| 5 | Credit limitation - multiply line 4 by decimal on line 3 | 5 | <u>3000</u> | .00 |
| 6 | Actual income tax paid to state shown on line 1
Part-year residents must prorate tax paid to other state. Credit only applies to the portion of actual taxes paid to the other state on income shown on line 1. | 6 | <u>4000</u> | .00 |
| 7 | Credit for tax paid another state - lesser of line 5 or line 6 | 7 | <u>3000</u> | .00 |



Income Tax Paid To Another State

(Continued)



Common Errors:

- Claiming the withholding amount on a W-2 as taxes paid to another state.
- Claiming credit for taxes other than income tax.
- Claiming the entire amount of tax paid to another state.
- Part-year residents not prorating correctly on TC-40S.



Live Organ Donation Expenses

(Code 19)

- You may claim a credit up to \$10,000 of qualified costs incurred for donating human bone marrow, or any part of an intestine, kidney, liver, lung, or pancreas for transplanting in another person.
 - Qualified expenses include travel, lodging or a “lost wage” if the expense was not reimbursed, and the organ was donated by you, your spouse, or a dependent.
- Complete form [TC-40T, Live Organ Donation Expenses Credit](#). Do not send form TC-40T with your return. Keep the form and related documents with your records to provide the Tax Commission upon request.



Note: You may carry forward for the next five years any credit that is more than your tax liability.

Renewable Residential Energy Systems Credit

(Code 21)

This credit is for reasonable costs, including installation, of a residential energy system that supplies energy to a Utah residential unit. Applies to residential installations utilizing: Solar photovoltaic (PV) **(If installed in 2023 or prior)**, wind, geothermal, hydro, biomass or certain renewable thermal technologies.

For installations on residential dwelling units using wind, geothermal, hydro biomass technologies, or certain renewable thermal technologies, the tax credit is non-refundable and calculated **as 25 percent of the eligible system cost or \$2,000, whichever is less.**

Note: The credit for residential solar power systems has expired effective 2023. Carryforwards are allowed through 2027.



Renewable Residential Energy Systems Credit

(Code 21)

If the residence is sold to a non-business entity before claiming the credit, you may irrevocably transfer the right to the credit to the new owner. The principal portion of the system's lease payments may qualify for the credit if the lessor irrevocably transfers the credit rights to the new owner.

Get form TC-40E, *Renewable Residential and Commercial Energy Systems Tax Credits*, from the Governor's Office of Energy Development with their certification stamp, verifying the credit is approved and showing the amount of the approved credit.

Do not send form TC-40E with your return. Keep the form and all related documents with your records to provide the Tax Commission upon request.



Renewable Residential Energy Systems Credit

(Code 21)

You may not claim this credit if you claim either the Renewable Commercial Energy Systems Credit (code 39) or the Alternative Energy Development Incentive credit.

Note: You may carry forward for the next four years any credit that is more than your tax liability.

For more information contact:

Governor's Office of Energy Development (OED)

PO Box 144845

Salt Lake City, UT 84114

801-538-8732 or 801-538-8682

energy.utah.gov/tax-credits/renewable-energy-systems-tax-credit



Renewable Residential Energy Systems Credit

(Continued)

**COMMON
MISTAKES**

Common Errors:

1. Claiming the tax before receiving the TC-40E approval
2. Claiming credit for the wrong year



Combat Related Death

(Code 25)

If you are filing a return on behalf of a military service member who died as a result of military service in a combat zone, you may claim a nonrefundable credit equal to the amount of the tax liability on the return attributable to the deceased service member.

To qualify for the credit, all of the following conditions must be met:

- The military service member must have been in an active or reserve component of the United States Army, Navy, Air Force, Marine Corps, Coast Guard or Space Force;
- The combat related death must have occurred on or after Jan. 1, 2010;
- The death must have occurred while the military service member was serving in a combat zone, or be the result of a wound, disease, or injury incurred while serving in a combat zone; and
- The service must have been on or after the date declared by the President of the United States by Executive Order as a combat zone, and on or before such designation is terminated by the President.



Combat Related Death

(Continued)

- If the return is being filed on behalf of single person (or married filing separately), the credit is equal to the tax liability shown on line 22 of the Utah return. Enter this amount on TC-40A, Part 4, using code 25.
- If the return is being filed as married filing jointly (deceased service member and spouse), use the following calculation to determine the allowable credit.

Combat Related Death Tax Credit Calculation	
1. Adjusted gross income on the joint federal return	\$
2. Federal adjusted gross income of deceased military member	\$
3. Allocated percentage – divide line 2 by line 1	
4. Amount of tax liability from TC-40, line 22	\$
5. Combat Related Death Credit – multiply line 3 by line 4.	\$
Enter this amount on TC-40A, Part 4, using code 25.	



Veteran Employment

(Code 27)

A nonrefundable credit is available to employers who hire a qualified, recently deployed veteran.

A qualified, recently deployed veteran is a person who was mobilized to active federal military service in an active or reserve component of the United States Armed Forces, and received an honorable or general discharge within the two-year period before the employment begins.

To qualify for the credit, the qualified veteran must meet all of the following conditions:

- received an honorable or general discharge within the two-year period before the employment begins;
- was collecting or was eligible to collect unemployment benefits, or has exhausted their unemployment benefits within the last two years, under UC Title 35A, Chapter 4, Part 4, Benefits and Eligibility; and
- work for the taxpayer for at least 35 hours per week for not less than 45 of the 52 weeks following the veteran's employment start date.



Veteran Employment (Continued)

The credit is claimed beginning in the year the 45 consecutive weeks in paragraph 3 on prior slide are met.

Calculate the credit as follows:

Calculating the Veteran Employment Tax Credit	First Year Credit (count all months in the year the 45 week requirement is met)	1. Number of months or partial months the veteran was employed in the first year	
		2. Monthly credit allowable in first year	\$ 200
		3. First year credit – multiply line 1 by line 2 (maximum \$2,400)	\$
	Second Year Credit	4. Number of months or partial months the veteran was employed in the 2nd year	
		5. Monthly credit allowable in second year	\$ 400
		6. Second year credit – multiply line 4 by line 5 (maximum (\$4,800)	\$



Veteran Employment (Continued)

If taking this credit, you must keep the following documentation and make it available to the Tax Commission upon request:

1. the veteran's name, last known address, and taxpayer identification or Social Security number;
2. the start date of employment;
3. documentation establishing that the veteran was employed 45 out of the 52 weeks after the date of employment;
4. documentation from the veteran's military service unit showing that the veteran was recently deployed; and
5. a signed statement from the Department of Workforce Services that the veteran was collecting, was eligible to collect, or exhausted their unemployment benefits within the last two years.



Note: This credit may be carried forward for up to 5 years

Employing Persons Who Are Homeless

(Code 28)

- The Utah Tax Credit for Employment of Persons Who Are Homeless (HTC) is a state tax credit incentive provided to employers for hiring persons who are homeless. Employers may earn a \$2000 tax credit for each qualified new hire.
- A qualified person who is homeless is an individual who on the date of hire or anytime during the 60 day period immediately before hire, has a primary nighttime residence that is a public or private place not ordinarily used as a regular sleeping accommodation for an individual or a publicly or privately operated shelter.
- You may claim a credit for hiring a homeless person if you receive a credit certificate from the Department of Workforce Services.
 - Do not send the certificate with your return. Keep the certificate and all related documents with your records.



Note: You may carry forward for the next five years any credit that is more than your tax liability.

Employing Persons Who Are Homeless

(Continued)

Application Process

- Employers must apply, enter into a participant agreement and meet the minimum wage requirement for EACH new hire. Upon meeting all requirements, employers will receive certification from the Department of Workforce Services (DWS), verifying that their new hire is qualified and that the minimum wage requirement has been met. The tax credit can be claimed on employers' state tax filings.
 - "Wage requirement" means that an employer pays a person who is homeless \$4,000 or more in wages during a time period that:
 - (a) begins on the date of hire; and
 - (b) ends no later than two calendar quarters after the calendar quarter in which the date of hire occurs.

For more information, contact

- **Department of Workforce Services**
140 E 300 S
PO Box 142503
Salt Lake City, UT 84111-2503
385-272-7798
jobs.utah.gov/employer/business/htc.html



Achieving a Better Life Experience—ABLE

(Code 63)

You may claim a credit for 4.55 percent of the total qualified contributions you made to a Utah resident's Achieving a Better Life Experience Program account. You must make the contributions during the tax year and have an itemized statement from the qualified ABLE program. You may not claim a credit for an amount of a contribution that is returned to you or an amount already deducted on your federal income tax return.

Credit calculation

Contributions _____ x .0455 = Credit _____

Note: You may not carry forward or back any credit that is more than your tax liability.

- For more information, contact:
 - Department of Workforce Services – ABLEUtah
1595 West 500 South
Salt Lake City, Utah 84104-5238
1-800-439-1653
ableut.com



Military Survivor Benefits

(Code AA)

- If you are a surviving spouse or dependent child (10 U.S.C. Sec 1447) of a deceased military member, you may claim a credit for 4.55 percent of the survivor benefits you received during the year.
- Survivor benefits are benefits paid due to:
 - the death of a member of the armed forces or reserve while on active duty, or
 - the death of a member of the reserve that results from a service-connected cause while performing inactive duty training.

Credit calculation

Survivor benefits _____ x .0455 = Credit _____

- Do not take this credit if the deceased service member was retired from the armed forces; instead, take the [Military Retirement Credit \(code AJ\)](#).

Note: You may not carry forward or back any credit that is more than your tax liability.



Carson Smith Opportunity Program

(Code AG)

- You may claim a credit for a donation made to the Carson Smith Opportunity Scholarship Program. The credit amount is up to 100% of your qualified contribution to an approved scholarship granting organization. To claim this tax credit you must receive a tax credit certificate from the scholarship granting organization, listing the amount of the credit.
 - You may not claim this credit if you claimed the donation as an itemized deduction on your federal return.

Note: You may carry back one year or forward for the next three years any credit that is more than your tax liability.

For more information or to make a contribution, contact:

Children First Education Fund

Childrenfirsteducationfund.org

info@childrenfirsteducationfund.org

385-204-5331



Pass-through Entity Taxpayer Income Tax Credit

(Code AP)

You may claim a credit equal to the amount of tax paid on your behalf by a pass-through entity to Utah under §59-10-1043.2(2), as shown on your K-1 from the pass-through entity. An individual who is a final PTET will file their Utah return as normal with two minor changes.

- **TC-40A – Income Tax Supplemental Schedule – Part 1 – Additions to Income**
Enter the total of all state income taxes paid by any PTE to Utah and any other state for the year that were not included in the federal adjusted gross income calculated on the individual's federal return. Enter the amount using **code: 67 – Tax paid on behalf of a pass-through entity taxpayer.**
 - *Addition of income does not apply if the income was not deducted and is not excluded from the individuals adjusted gross income.*



Pass-through Entity Taxpayer Income Tax Credit

(Continued)

- **TC-40A – Income Tax Supplemental Schedule – Part 4 – Nonapportionable Nonrefundable Credits**
 - Enter the nonrefundable credit as reported on the Utah K-1 for Utah taxes paid by the PTE. Enter the credit using **code: AP** – *Pass-through entity taxpayer income tax credit*.

Note: Authorizes a five-year carry-forward for any amount of this credit that exceeds the taxpayer's Utah tax liability.



Non-Appportionable Refundable Credit

Codes for Non-Appportionable Refundable Credit, TC-40A Part 5

- [39 -Renewable Commercial Energy Systems Credit](#)
- [47 -Agricultural Off-Highway Fuel](#)
- [48 -Farm Operation Hand Tools](#)



Renewable Commercial Energy Systems Credit

(Code 39)

Commercial Eligible Technologies

- The Renewable Energy Systems Tax Credit applies to commercial installations utilizing solar PV, wind, geothermal, hydro, biomass or certain renewable thermal technologies.

Commercial Tax Credit Amount for All Eligible Renewable Technologies

- For installations of commercial buildings, the tax credit is refundable and is calculated as 10 percent of the eligible system cost or \$50,000, whichever is less.
- The tax credit amount is calculated the same for all eligible renewable energy technologies.



Renewable Commercial Energy Systems Credit

(Continued)

- Get form TC-40E, *Renewable Residential and Commercial Energy Systems Tax Credits*, from the Governor's Office of Energy Development with their certification stamp. Do not send this form with your return. Keep the form and all related documents with your records to provide the Tax Commission upon request.
- You may not claim this credit if you claim either the Renewable Residential Energy Systems Credit (code 21) or the Alternative Energy Development Incentive credit.
- For more information contact:

Governor's Office of Energy Development (OED)

PO Box 144845

Salt Lake City, UT 84114

801-538-8732 or 801-538-8682

energy.utah.gov/tax-credits/renewable-energy-systems-tax-credit



Agricultural Off-Highway Fuel

(Code 47)

You may claim a credit of **36.5 cents per gallon** for motor fuel and undyed diesel fuel bought in Utah during 2024 and used to operate stationary farm engines and self-propelled farm machinery used solely for commercial non-highway agricultural use if the fuel was taxed at the time it was bought.

- This does not include golf courses, horse racing, boat operations, highway seeding, vehicles registered for highway use, hobbies, personal farming and other non-agricultural use.

Credit calculation

Gallons _____ x .365 = Credit _____



Note: There is no form for this credit. Keep all related documents with your records to provide the Tax Commission upon request.

Farm Operation Hand Tools

(Code 48)

This credit is for sales and use tax paid on hand tools purchased and used or consumed primarily and directly in a farming operation in Utah. The credit only applies if the **purchase price of a tool is more than \$250.**

There is no form for this credit. Keep all related documents with your records to provide the Tax Commission upon request.



Unpublished Certificated Tax Credits

These are tax credits that are administered and approved by other agencies of the State of Utah. Please contact the agency administering the tax credit for more information.



Utah Housing Corporation

- **Low Income Housing** - The Housing Tax Credit is a dollar for dollar credit or reduction of tax liability for owners and investors in low-income housing. The amount of credit awarded to a project is based on the costs of developing an approved low-income project and the number of qualified low-income units in the project.

For more information, [CLICK HERE](#).



UTAH HOUSING CORPORATION

2479 South Lake Park Blvd
West Valley City, Utah 84120

8:00 am to 5:30 pm Monday - Friday
Phone: [\(801\)-902-8200](tel:(801)902-8200) | [\(800\)-284-6950](tel:(800)284-6950)

Utah Department of Environmental Quality

- **Recycling Market** Encourages individuals and businesses in certain area's to recycle by offering tax credits for the machinery, wages, utilities, and spaces used to produce goods from recycled materials, or to individuals and businesses that reduce or reuse materials that would otherwise become waste.

For more information, [CLICK HERE](#) .

- **Alternative Fuel Heavy-Duty Vehicle-** The state provides an income tax credit for the qualified purchase of a natural gas, a 100% electric, or a hydrogen-electric heavy-duty vehicle which is defined in 59-7-618.1 and 59-10-1033.1

For more information, [CLICK HERE](#) .



Utah Office of Energy Development




- **High Cost Infrastructure-** The High Cost Infrastructure Tax Credit (HCITC) supports significant infrastructure investments in the state; bolstering the cost-effective and sustainable delivery of Utah's commodities to domestic and global markets.

For more information, [CLICK HERE](#).

- **Alternative Energy Development Incentive** - The Alternative Energy Development Incentive (AEDI) is a fixed post-performance credit of 75 percent of new eligible state revenues for 20 years, for qualifying projects that produce at least two megawatts of electricity, 250 barrels of biomass, or 1000 barrels of oil per day equivalent from qualifying hydroelectric, solar, biomass, geothermal, wind, nuclear or certain unconventional resources.

For more information, [CLICK HERE](#).



 (801) 538-8682
 energy.utah.gov
 energytaxcredits@utah.gov

Governor's Office Of Economic Opportunity

- **Enterprise Zone-** Businesses that locate in Enterprise Zones and create new jobs are eligible for corporate income tax credits valued at \$750 per job with an additional \$500 if the newly created job has wages at or above 125% of the average county wage. There are also additional credits available for those adding value to agricultural commodities through manufacturing. Other incentives include a 25% credit on the first \$200,000 invested in renovating a vacant building. An additional credit of 5% is available for investment exceeding \$750,000 in manufacturing plant and equipment.

For more information, [CLICK HERE](#).

- **Investment in Life Science-** This program offers tax credits for investors in qualifying technology and life science businesses. The tax credit may be up to 35% of the investment amount, disbursed over three years. Investors must invest at least \$25,000 and cannot have already had a 30% or more stake in the company.

For more information, [CLICK HERE](#).



Governor's Office Of Economic Opportunity

- **Economic Development-** Businesses that locate in Economic Development Zones may be eligible to receive refundable, post-performance tax credits. The value of the EDTIF credit is up to 30% of new state revenues generated by a business attraction or expansion project over a typical period of 5 to 10 years. No more than 50% of the total award can be claimed in any single year. To qualify, a business must create at least 50 jobs with wages that meet or exceed 110% of the county average wages within both rural and urban communities

For more information, [CLICK HERE](#) .



**Governor's Office of
Economic Opportunity**

Email: business@utah.gov

Phone: 801-538-8680

Utah Film Commission

- **Motion Picture Production** - The Motion Picture Incentive Program (MPIP) is a 20% - 25% post performance incentive that offers a cash rebate or fully refundable, non-transferable tax credit on qualified dollars left in the state of Utah.

For more information, [CLICK HERE](#).

PROGRAM	RATE	SPEND	INCENTIVE	QUALIFICATIONS
MPIP Over \$1M	25%	\$1M+	Tax Credit	-Over \$1M in qualified spend -75% cast and crew are Utah residents (excluding extras and five principal cast members) OR -75% of production days occur in rural Utah*
MPIP Over \$1M	20%	\$1M+	Tax Credit	Over \$1M in qualified spend
MPIP Under \$1M	20%	\$500,000 - \$1M	Cash Rebate or Tax Credit	-Over \$500K in qualified spend -75% cast and crew are Utah residents (excluding extras and five principal cast members)
CFIP	20%	\$100,000 - \$500,000	Cash Rebate	-Director, Writer, or Producer is a Utah resident -85% of cast and crew are Utah residents and are earning at least \$100 a day -At least 1 of the key department heads must be in the position for the first time

*Rural Utah is considered to be any county outside of Salt Lake, Davis, Utah, and Weber counties.



1-800-453-8824

Email – film@utah.gov

Film.Utah.gov

Utah Division of Professional Licensing

- **Mental Health Practitioner – Newly Licensed**
 - Licensed after January 1, 2017
 - Provides at least 30 hours or more per week of licensed services in Utah
- **Mental Health Practitioner Underserved Populations**
 - Devoted 25% or more of these hours to an “underserved population”
 - Provides at least 30 hours or more per week of licensed services in Utah
- **Volunteer Retired Psychiatrist**
 - Licensed in Utah as a retired psychiatrist or volunteer health care practitioner .
 - Currently, or previously, board certified in a psychiatry specialization recognized by the American Board of Medical Specialties (AMBS); and
 - Provided at least 300 hours of licensed services to individuals in an underserved population , without receiving payment.



UTAH DEPARTMENT
OF COMMERCE
Division of Professional Licensing

801-530-6628
dopl.utah.gov

Tax Commission Resources

Contact Us	
Practitioner Hotline	801-297-7790 or 1-800-662-4335 ext. 7790
Customer Service – payment processing & liens	801-297-2200 or 1-800-662-4335
Taxpayer Resources Unit – basic tax questions	801-297-7705 or 1-800-662-4335 ext. 7705
TAP Support	801-297-3996 or 1-800-662-4335 ext. 3996 Email: tapsupport@utah.gov
Taxpayer Advocate Service	801-297-7562 or 1-800-662-4335 ext. 7562
Email	taxmaster@utah.gov
Online Resources	
Tax Commission Website	tax.utah.gov
Forms and Publications	tax.utah.gov/forms
Online Services (TAP)	tap.utah.gov
Tax Practitioner Information	tax.utah.gov/taxpros
Individual Income Tax	incometax.utah.gov
Tax Training	tax.utah.gov/training
X (formerly Twitter) Facebook Instagram	@UtahStateTax Utah State Tax Commission utahstatetaxcommission



Thank You

