

**REPEAL OF ELECTION CAMPAIGN FUND AND RELATED
TAX RETURN DESIGNATION**

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: John Dougall

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill amends the Individual Income Tax Contribution Act to repeal the Election Campaign Fund and related tax return designation.

Highlighted Provisions:

This bill:

- ▶ repeals a contribution to the Election Campaign Fund that may be designated on an income tax return;
- ▶ repeals the Election Campaign Fund; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides effective dates.

This bill provides for retrospective operation for a taxable year beginning on or after January 1, 2012.

Utah Code Sections Affected:

AMENDS:

59-10-1303, as last amended by Laws of Utah 2009, Chapter 251

59-10-1311, as renumbered and amended by Laws of Utah 2008, Chapter 389



63I-2-259, as renumbered and amended by Laws of Utah 2008, Chapter 382

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

Section 1. Section **59-10-1303** is amended to read:

59-10-1303. Contributions -- Amount -- Procedure for designating a contribution -- Joint return -- Contribution irrevocable.

(1) A resident or nonresident individual that makes a contribution under this part, other than ~~[Section 59-10-1311 or]~~ Section 59-10-1313, may designate as the contribution any whole dollar amount of \$1 or more.

(2) (a) If a resident or nonresident individual designating a contribution under this part ~~[other than Section 59-10-1311: (a)]~~ is owed an individual income tax refund for the taxable year, the amount of the contribution under this part shall be deducted from the resident or nonresident individual's individual income tax refund~~[-or]~~.

(b) Except as provided in Section 59-10-1313, if a resident or nonresident individual designating a contribution under this part is not owed an individual income tax refund for the taxable year, the resident or nonresident individual may remit a contribution under this part with the resident or nonresident individual's individual income tax return~~[-except as provided in Section 59-10-1313]~~.

(3) If a husband and wife file a single individual income tax return jointly, a contribution under this part~~[-other than Section 59-10-1311:]~~ shall be a joint contribution.

(4) Except as provided in Subsection 59-10-1313(3)(c), a contribution under this part is irrevocable for the taxable year for which the resident or nonresident individual makes the contribution.

Section 2. Section **59-10-1311** is amended to read:

59-10-1311. Election Campaign Fund contribution -- Transfer from General Fund -- Form and procedure.

(1) (a) ~~[A]~~ Except as provided in Subsection (2), a resident or nonresident individual, other than a nonresident alien, may designate on the resident or nonresident individual's individual income tax return a contribution of \$2 to the Election Campaign Fund created by Section 59-10-1312, if the resident or nonresident individual:

(i) has a liability under this chapter for a taxable year of \$2 or more; and

(ii) files a return under this chapter.

(b) ~~[The]~~ Except as provided in Subsection (3), the commission shall transfer \$2 from the General Fund to the Election Campaign Fund for each contribution made on an individual income tax return under this Subsection (1).

(c) The transfer described in Subsection (1)(b) shall be made from revenue generated from state sales and use tax revenues collected in accordance with Chapter 12, Sales and Use Tax Act.

~~[(2)(a) A contribution under Subsection (1) may be made with respect to any taxable year at the time a resident or nonresident individual files a return for that taxable year.]~~

~~[(b)]~~ (d) ~~[The]~~ Except as provided in Subsection (3), the commission shall include the contribution allowed by this section:

(i) on a return under this chapter; and

(ii) for any political party as defined by Section 20A-1-102 that has qualified as a political party in the first six months of the calendar year for which the return is prepared.

~~[(e)]~~ (e) The commission shall place a political party described in Subsection ~~[(2)(b)]~~ (1)(d) on a return described in Subsection ~~[(2)(b)]~~ (1)(d) in alphabetical order.

~~[(d)]~~ (f) The commission shall include on a return described in Subsection ~~[(2)(b)]~~ (1)(d):

(i) the option for a resident or nonresident individual to indicate that no contribution is to be made to any political party; and

(ii) a statement that a contribution a resident or nonresident individual, other than a nonresident alien, makes under this section may not:

(A) increase the resident or nonresident individual's tax liability under this chapter; or

(B) reduce the resident or nonresident individual's refund under this chapter.

(2) A resident or nonresident individual may not designate a contribution under this section:

(a) for a taxable year beginning on or after January 1, 2012; or

(b) on an amended return filed on or after January 1, 2012.

(3) The commission may not:

(a) include the contribution under this section on a return under this chapter for a taxable year beginning on or after January 1, 2012; or

90 **(b) make a transfer from the General Fund to the Election Campaign Fund as described**
91 **in Subsections (1)(b) and (c) with respect to a contribution that a resident or nonresident**
92 **individual may not designate under Subsection (2).**

93 Section 3. Section **63I-2-259** is amended to read:

94 **63I-2-259. Repeal dates -- Title 59.**

95 **(1) Section 59-10-1311 is repealed January 1, 2013.**

96 **(2) Section 59-10-1312 is repealed January 1, 2013.**

97 Section 4. **Effective dates -- Retrospective operation.**

98 **(1) Except as provided in Subsections (2) and (3), this bill takes effect on May 8, 2012.**

99 **(2) The amendments to Section 59-10-1303 take effect on January 1, 2013.**

100 **(3) The amendments to Section 59-10-1311 have retrospective operation for a taxable**
101 **year beginning on or after January 1, 2012.**

Legislative Review Note
as of 8-3-11 2:42 PM

Office of Legislative Research and General Counsel