

1 **UTAH EDUCATIONAL SAVINGS PLAN AMENDMENTS**

2 2015 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Todd Weiler**

5 House Sponsor: Eric K. Hutchings

7 **LONG TITLE**

8 **General Description:**

9 This bill amends tax deduction, contribution, and credit provisions related to Utah
10 Educational Savings Plan accounts.

11 **Highlighted Provisions:**

12 This bill:

13 ▶ modifies tax deduction and credit provisions related to Utah Educational Savings
14 Plan accounts;

15 ▶ modifies tax return contribution provisions related to Utah Educational Savings
16 Plan accounts; and

17 ▶ makes technical and conforming changes.

18 **Money Appropriated in this Bill:**

19 None

20 **Other Special Clauses:**

21 This bill provides a special effective date.

22 This bill provides for retrospective operation.

23 **Utah Code Sections Affected:**

24 AMENDS:

25 **53B-8a-102**, as last amended by Laws of Utah 2011, Chapter 46

26 **53B-8a-106**, as last amended by Laws of Utah 2010, Chapter 6

27 **59-7-106**, as last amended by Laws of Utah 2014, Chapter 273

28 **59-10-1017**, as last amended by Laws of Utah 2010, Chapter 6

29 **59-10-1313**, as last amended by Laws of Utah 2011, Chapter 46

30

31 *Be it enacted by the Legislature of the state of Utah:*32 Section 1. Section **53B-8a-102** is amended to read:33 **53B-8a-102. Definitions.**

34 As used in this chapter:

35 (1) "Account agreement" means an agreement between an account owner and the Utah
36 Educational Savings Plan entered into under this chapter.37 (2) "Account owner" means a person, estate, or trust, if that person, estate, or trust has
38 entered into an account agreement under this chapter to save for the higher education costs on
39 behalf of a beneficiary.40 (3) "Administrative fund" means the money used to administer the Utah Educational
41 Savings Plan.42 (4) "Beneficiary" means the individual designated in an account agreement to benefit
43 from the amount saved for higher education costs.44 (5) "Board" means the board of directors of the Utah Educational Savings Plan which
45 is the state Board of Regents acting in its capacity as the Utah Higher Education Assistance
46 Authority under Title 53B, Chapter 12, Higher Education Assistance Authority.47 (6) "Endowment fund" means the endowment fund established under Section
48 [53B-8a-107](#) which is held as a separate fund within the Utah Educational Savings Plan.49 (7) "Executive director" means the administrator appointed to administer and manage
50 the Utah Educational Savings Plan.51 (8) "Federally insured depository institution" means an institution whose deposits and
52 accounts are to any extent insured by a federal deposit insurance agency, including the Federal
53 Deposit Insurance Corporation and the National Credit Union Administration.54 (9) "Grantor trust" means a trust, the income of which is for the benefit of the grantor
55 under Section 677, Internal Revenue Code.56 [~~9~~] (10) "Higher education costs" means qualified higher education expenses as
57 defined in Section 529(e)(3), Internal Revenue Code.

58 (11) "Owner of the grantor trust" means one or more individuals who are treated as an
59 owner of a trust under Section 677, Internal Revenue Code, if that trust is a grantor trust.

60 [~~(10)~~] (12) "Plan" means the Utah Educational Savings Plan created in Section
61 53B-8a-103.

62 [~~(11)~~] (13) "Program fund" means the program fund created under Section 53B-8a-107,
63 which is held as a separate fund within the Utah Educational Savings Plan.

64 [~~(12)~~] (14) "Qualified investment" means an amount invested in accordance with an
65 account agreement established under this chapter.

66 [~~(13)~~] (15) "Tuition and fees" means the quarterly or semester charges imposed to
67 attend an institution of higher education and required as a condition of enrollment.

68 Section 2. Section **53B-8a-106** is amended to read:

69 **53B-8a-106. Account agreements.**

70 The plan may enter into account agreements with account owners on behalf of
71 beneficiaries under the following terms and agreements:

72 (1) (a) An account agreement may require an account owner to agree to invest a
73 specific amount of money in the plan for a specific period of time for the benefit of a specific
74 beneficiary, not to exceed an amount determined by the executive director.

75 (b) Account agreements may be amended to provide for adjusted levels of payments
76 based upon changed circumstances or changes in educational plans.

77 (c) An account owner may make additional optional payments as long as the total
78 payments for a specific beneficiary do not exceed the total estimated higher education costs as
79 determined by the executive director.

80 (d) Subject to Subsections (1)(f) and (g), the maximum amount of a qualified
81 investment that a corporation that is an account owner may subtract from unadjusted income
82 for a taxable year in accordance with Title 59, Chapter 7, Corporate Franchise and Income
83 Taxes, is \$1,710 for each individual beneficiary for the taxable year beginning on or after
84 January 1, 2010, but beginning on or before December 31, 2010.

85 (e) Subject to Subsections (1)(f) and (g), the maximum amount of a qualified

86 investment that may be used as the basis for claiming a tax credit in accordance with Section
87 [59-10-1017](#), is:

88 (i) subject to Subsection (1)(e)(iv), for a resident or nonresident estate or trust that is an
89 account owner, \$1,710 for each individual beneficiary for the taxable year beginning on or after
90 January 1, 2010, but beginning on or before December 31, 2010;

91 (ii) subject to Subsection (1)(e)(iv), for a resident or nonresident individual that is an
92 account owner, other than a husband and wife who are account owners and file a single return
93 jointly under Title 59, Chapter 10, Individual Income Tax Act, \$1,710 for each individual
94 beneficiary for the taxable year beginning on or after January 1, 2010, but beginning on or
95 before December 31, 2010; ~~or~~

96 (iii) subject to Subsection (1)(e)(iv), for a husband and wife who are account owners
97 and file a single return jointly under Title 59, Chapter 10, Individual Income Tax Act, \$3,420
98 for each individual beneficiary:

99 (A) for the taxable year beginning on or after January 1, 2010, but beginning on or
100 before December 31, 2010; and

101 (B) regardless of whether the plan has entered into:

102 (I) a separate account agreement with each spouse; or

103 (II) a single account agreement with both spouses jointly~~[-];~~ or

104 (iv) for a grantor trust:

105 (A) if the owner of the grantor trust has a single filing status or head of household
106 filing status as defined in Section [59-10-1018](#), the amount described in Subsection (1)(e)(ii); or

107 (B) if the owner of the grantor trust has a joint filing status as defined in Section
108 [59-10-1018](#), the amount described in Subsection (1)(e)(iii).

109 (f) (i) For taxable years beginning on or after January 1, 2011, the executive director
110 shall annually increase the maximum amount of a qualified investment described in
111 Subsections (1)(d) and (1)(e)(i) and (ii), by a percentage equal to the increase in the consumer
112 price index for the preceding calendar year.

113 (ii) After making an increase required by Subsection (1)(f)(i), the executive director

114 shall:

115 (A) round the maximum amount of the qualified investments described in Subsections
116 (1)(d) and (1)(e)(i) and (ii) increased under Subsection (1)(f)(i) to the nearest 10 dollar
117 increment; and

118 (B) increase the maximum amount of the qualified investment described in Subsection
119 (1)(e)(iii) so that the maximum amount of the qualified investment described in Subsection
120 (1)(e)(iii) is equal to the product of:

121 (I) the maximum amount of the qualified investment described in Subsection (1)(e)(ii)
122 as rounded under Subsection (1)(f)(ii)(A); and

123 (II) two.

124 (iii) For purposes of Subsections (1)(f)(i) and (ii), the executive director shall calculate
125 the consumer price index as provided in Sections 1(f)(4) and 1(f)(5), Internal Revenue Code.

126 (g) For taxable years beginning on or after January 1, 2011, the executive director shall
127 keep the previous year's maximum amount of a qualified investment described in Subsections
128 (1)(d) and (1)(e)(i) and (ii) if the consumer price index for the preceding calendar year
129 decreases.

130 (2) (a) Beneficiaries designated in account agreements must be designated after birth
131 and before age 19 for an account owner to:

132 (i) subtract a qualified investment from income under Title 59, Chapter 7, Corporate
133 Franchise and Income Taxes; or

134 (ii) use a qualified investment as the basis for claiming a tax credit in accordance with
135 Section 59-10-1017.

136 (b) Account owners may designate a beneficiary age 19 or older, but investments for
137 that beneficiary are not eligible to be:

138 (i) subtracted from income under Title 59, Chapter 7, Corporate Franchise and Income
139 Taxes; or

140 (ii) used as the basis for claiming a tax credit in accordance with Section 59-10-1017.

141 (3) Each account agreement shall state clearly that there are no guarantees regarding

142 money in the plan as to the return of principal and that losses could occur.

143 (4) Each account agreement shall provide that:

144 (a) a contributor to, or designated beneficiary under, an account agreement may not
145 direct the investment of any contributions or earnings on contributions;

146 (b) any part of the money in any account may not be used as security for a loan; and

147 (c) an account owner may not borrow from the plan.

148 (5) The execution of an account agreement by the plan may not guarantee in any way
149 that higher education costs will be equal to projections and estimates provided by the plan or
150 that the beneficiary named in any account agreement will:

151 (a) be admitted to an institution of higher education;

152 (b) if admitted, be determined a resident for tuition purposes by the institution of
153 higher education;

154 (c) be allowed to continue attendance at the institution of higher education following
155 admission; or

156 (d) graduate from the institution of higher education.

157 (6) A beneficiary may be changed as permitted by the rules and regulations of the
158 board upon written request of the account owner prior to the date of admission of any
159 beneficiary under an account agreement by an institution of higher education so long as the
160 substitute beneficiary is eligible for participation.

161 (7) An account agreement may be freely amended throughout the term of the account
162 agreement in order to enable an account owner to increase or decrease the level of
163 participation, change the designation of beneficiaries, and carry out similar matters as
164 authorized by rule.

165 (8) Each account agreement shall provide that:

166 (a) the account agreement may be canceled upon the terms and conditions, and upon
167 payment of the fees and costs set forth and contained in the board's rules and regulations; and

168 (b) the executive director may amend the agreement unilaterally and retroactively, if
169 necessary, to maintain the plan as a qualified tuition program under Section 529, Internal

170 Revenue Code.

171 Section 3. Section **59-7-106** is amended to read:

172 **59-7-106. Subtractions from unadjusted income.**

173 (1) In computing adjusted income the following amounts shall be subtracted from
174 unadjusted income:

175 (a) the foreign dividend gross-up included in gross income for federal income tax
176 purposes under Section 78, Internal Revenue Code;

177 (b) subject to Subsection (2), the net capital loss, as defined for federal purposes, if the
178 taxpayer elects to deduct the net capital loss on the return filed under this chapter for the
179 taxable year for which the net capital loss is incurred;

180 (c) the decrease in salary expense deduction for federal income tax purposes due to
181 claiming the federal work opportunity credit under Section 51, Internal Revenue Code;

182 (d) the decrease in qualified research and basic research expense deduction for federal
183 income tax purposes due to claiming the federal credit for increasing research activities under
184 Section 41, Internal Revenue Code;

185 (e) the decrease in qualified clinical testing expense deduction for federal income tax
186 purposes due to claiming the federal credit for clinical testing expenses for certain drugs for
187 rare diseases or conditions under Section 45C, Internal Revenue Code;

188 (f) any decrease in any expense deduction for federal income tax purposes due to
189 claiming any other federal credit;

190 (g) the safe harbor lease adjustment required under Subsections **59-7-111(1)(b)** and
191 **(2)(b)**;

192 (h) any income on the federal corporation income tax return that has been previously
193 taxed by Utah;

194 (i) an amount included in federal taxable income that is due to a refund of a tax,
195 including a franchise tax, an income tax, a corporate stock and business tax, or an occupation
196 tax:

197 (i) if that tax is imposed for the privilege of:

- 198 (A) doing business; or
- 199 (B) exercising a corporate franchise;
- 200 (ii) if that tax is paid by the corporation to:
- 201 (A) Utah;
- 202 (B) another state of the United States;
- 203 (C) a foreign country;
- 204 (D) a United States possession; or
- 205 (E) the Commonwealth of Puerto Rico; and
- 206 (iii) to the extent that tax was added to unadjusted income under Section 59-7-105;
- 207 (j) a charitable contribution, to the extent the charitable contribution is allowed as a
- 208 subtraction under Section 59-7-109;
- 209 (k) subject to Subsection (3), 50% of a dividend considered to be received or received
- 210 from a subsidiary that:
- 211 (i) is a member of the unitary group;
- 212 (ii) is organized or incorporated outside of the United States; and
- 213 (iii) is not included in a combined report under Section 59-7-402 or 59-7-403;
- 214 (l) subject to Subsection (4) and Section 59-7-401, 50% of the adjusted income of a
- 215 foreign operating company;
- 216 (m) the amount of gain or loss that is included in unadjusted income but not recognized
- 217 for federal purposes on stock sold or exchanged by a member of a selling consolidated group as
- 218 defined in Section 338, Internal Revenue Code, if an election has been made in accordance
- 219 with Section 338(h)(10), Internal Revenue Code;
- 220 (n) the amount of gain or loss that is included in unadjusted income but not recognized
- 221 for federal purposes on stock sold, exchanged, or distributed by a corporation in accordance
- 222 with Section 336(e), Internal Revenue Code, if an election under Section 336(e), Internal
- 223 Revenue Code, has been made for federal purposes;
- 224 (o) subject to Subsection (5), an adjustment to the following due to a difference
- 225 between basis for federal purposes and basis as computed under Section 59-7-107:

- 226 (i) an amortization expense;
- 227 (ii) a depreciation expense;
- 228 (iii) a gain;
- 229 (iv) a loss; or
- 230 (v) an item similar to Subsections (1)(o)(i) through (iv);
- 231 (p) an interest expense that is not deducted on a federal corporation income tax return
- 232 under Section 265(b) or 291(e), Internal Revenue Code;
- 233 (q) 100% of dividends received from a subsidiary that is an insurance company if that
- 234 subsidiary that is an insurance company is:
 - 235 (i) exempt from this chapter under Subsection 59-7-102(1)(c); and
 - 236 (ii) under common ownership;
 - 237 (r) subject to Subsection 59-7-105(12), a corporation that is an account owner as
 - 238 defined in Section 53B-8a-102 shall subtract the amount of a qualified investment as defined in
 - 239 Section 53B-8a-102 [~~that~~]:
 - 240 (i) [~~a corporation that is an account owner as defined in Section 53B-8a-102~~] that the
 - 241 corporation or a person other than the corporation makes into an account owned by the
 - 242 corporation during the taxable year;
 - 243 (ii) to the extent that neither the corporation nor the person other than the corporation
 - 244 described in Subsection (1)(r)(i) [~~does not deduct~~] deducts the qualified investment on a federal
 - 245 [~~corporation~~] income tax return; and
 - 246 (iii) to the extent the qualified investment does not exceed the maximum amount of the
 - 247 qualified investment that may be subtracted from unadjusted income for a taxable year in
 - 248 accordance with Subsection 53B-8a-106(1);
 - 249 (s) for purposes of income included in a combined report under Part 4, Combined
 - 250 Reporting, the entire amount of the dividends a member of a unitary group receives or is
 - 251 considered to receive from a captive real estate investment trust; and
 - 252 (t) the increase in income for federal income tax purposes due to claiming a:
 - 253 (i) qualified tax credit bond credit under Section 54A, Internal Revenue Code; or

- 254 (ii) qualified zone academy bond under Section 1397E, Internal Revenue Code.
- 255 (2) For purposes of Subsection (1)(b):
- 256 (a) the subtraction shall be made by claiming the subtraction on a return filed:
- 257 (i) under this chapter for the taxable year for which the net capital loss is incurred; and
- 258 (ii) by the due date of the return, including extensions; and
- 259 (b) a net capital loss for a taxable year shall be:
- 260 (i) subtracted for the taxable year for which the net capital loss is incurred; or
- 261 (ii) carried forward as provided in Sections 1212(a)(1)(B) and (C), Internal Revenue
- 262 Code.
- 263 (3) (a) For purposes of calculating the subtraction provided for in Subsection (1)(k), a
- 264 taxpayer shall first subtract from a dividend considered to be received or received an expense
- 265 directly attributable to that dividend.
- 266 (b) For purposes of Subsection (3)(a), the amount of an interest expense that is
- 267 considered to be directly attributable to a dividend is calculated by multiplying the interest
- 268 expense by a fraction:
- 269 (i) the numerator of which is the taxpayer's average investment in the dividend paying
- 270 subsidiaries; and
- 271 (ii) the denominator of which is the taxpayer's average total investment in assets.
- 272 (c) (i) For purposes of calculating the subtraction allowed by Subsection (1)(k), in
- 273 determining income apportionable to this state, a portion of the factors of a foreign subsidiary
- 274 that has dividends that are partially subtracted under Subsection (1)(k) shall be included in the
- 275 combined report factors as provided in this Subsection (3)(c).
- 276 (ii) For purposes of Subsection (3)(c)(i), the portion of the factors of a foreign
- 277 subsidiary that has dividends that are partially subtracted under Subsection (1)(k) that shall be
- 278 included in the combined report factors is calculated by multiplying each factor of the foreign
- 279 subsidiary by a fraction:
- 280 (A) not to exceed 100%; and
- 281 (B) (I) the numerator of which is the amount of the dividend paid by the foreign

282 subsidiary that is included in adjusted income; and
283 (II) the denominator of which is the current year earnings and profits of the foreign
284 subsidiary as determined under the Internal Revenue Code.

285 (4) (a) For purposes of Subsection (1)(l), a taxpayer may not make a subtraction under
286 Subsection (1)(l):

287 (i) if the taxpayer elects to file a worldwide combined report as provided in Section
288 59-7-403; or

289 (ii) for the following:

290 (A) income generated from intangible property; or
291 (B) a capital gain, dividend, interest, rent, royalty, or other similar item that is
292 generated from an asset held for investment and not from a regular business trading activity.

293 (b) In calculating the subtraction provided for in Subsection (1)(l), a foreign operating
294 company:

295 (i) may not subtract an amount provided for in Subsection (1)(k) or (l); and
296 (ii) prior to determining the subtraction under Subsection (1)(l), shall eliminate a
297 transaction that occurs between members of a unitary group.

298 (c) For purposes of the subtraction provided for in Subsection (1)(l), in determining
299 income apportionable to this state, the factors for a foreign operating company shall be
300 included in the combined report factors in the same percentages as the foreign operating
301 company's adjusted income is included in the combined adjusted income.

302 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
303 commission may by rule define what constitutes:

304 (i) income generated from intangible property; or
305 (ii) a capital gain, dividend, interest, rent, royalty, or other similar item that is
306 generated from an asset held for investment and not from a regular business trading activity.

307 (5) (a) For purposes of the subtraction provided for in Subsection (1)(o), the amount of
308 a reduction in basis shall be allowed as an expense for the taxable year in which a federal tax
309 credit is claimed if:

- 310 (i) there is a reduction in federal basis for a federal tax credit; and
311 (ii) there is no corresponding tax credit allowed in this state.
312 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
313 commission may by rule define what constitutes an item similar to Subsections (1)(o)(i)
314 through (iv).

315 Section 4. Section **59-10-1017** is amended to read:

316 **59-10-1017. Utah Educational Savings Plan tax credit.**

317 (1) As used in this section:

318 (a) "Account owner" ~~[is-as]~~ means the same as that term is defined in Section
319 [53B-8a-102](#).

320 (b) "Grantor trust" means the same as that term is defined in Section [53B-8a-102](#).

321 ~~[(b)]~~ (c) "Higher education costs" ~~[is-as]~~ means the same as that term is defined in
322 Section [53B-8a-102](#).

323 ~~[(c)]~~ (d) "Maximum amount of a qualified investment for the taxable year" means, for
324 a taxable year, the product of 5% and:

325 (i) subject to Subsection (1)(d)(iii), for a claimant, estate, or trust that is an account
326 owner, if that claimant, estate, or trust is other than husband and wife account owners who file
327 a single return jointly, the maximum amount of a qualified investment:

328 (A) listed in Subsection [53B-8a-106](#)(1)(e)(ii); and

329 (B) increased or kept for that taxable year in accordance with Subsections
330 [53B-8a-106](#)(1)(f) and (g); ~~[or]~~

331 (ii) subject to Subsection (1)(d)(iii), for claimants who are husband and wife account
332 owners who file a single return jointly, the maximum amount of a qualified investment:

333 (A) listed in Subsection [53B-8a-106](#)(1)(e)(iii); and

334 (B) increased or kept for that taxable year in accordance with Subsections
335 [53B-8a-106](#)(1)(f) and (g)~~[-];~~ or

336 (iii) for a grantor trust:

337 (A) if the owner of the grantor trust has a single filing status or head of household

338 filing status as defined in Section 59-10-1018, the amount described in Subsection (1)(d)(i); or

339 (B) if the owner of the grantor trust has a joint filing status as defined in Section
340 59-10-1018, the amount described in Subsection (1)(d)(ii).

341 (e) "Owner of the grantor trust" means the same as that term is defined in Section
342 53B-8a-102.

343 ~~[(d)]~~ (f) "Qualified investment" [is as] means the same as that term is defined in
344 Section 53B-8a-102.

345 (2) Except as provided in Section 59-10-1002.2 and subject to the other provisions of
346 this section, a claimant, estate, or trust that is an account owner may claim a nonrefundable tax
347 credit equal to the product of:

348 ~~[(a) the lesser of:]~~

349 ~~[(i)]~~ (a) the amount of a qualified investment [the] made:

350 (i) during the taxable year; and

351 (ii) into an account owned by the claimant, estate, or trust[:]; and

352 ~~[(A) makes during the taxable year; and]~~

353 ~~[(B) does not deduct:]~~

354 (b) 5%.

355 (3) A claimant, estate, or trust, or a person other than the claimant, estate, or trust, may
356 make a qualified investment described in Subsection (2).

357 ~~[(I) for a claimant, on the claimant's federal individual income tax return; or]~~

358 ~~[(H) for an estate or trust, on the estate's or trust's federal income tax return for estates~~
359 ~~and trusts; or]~~

360 (4) A tax credit under this section may not be claimed with respect to any portion of a
361 qualified investment described in Subsection (2) that a claimant, estate, trust, or person
362 described in Subsection (3) deducts on a federal income tax return.

363 ~~[(ii)]~~ (5) A tax credit under this section may not exceed the maximum amount of a
364 qualified investment for the taxable year [if the amount described in Subsection (2)(a)(i) is
365 greater than the maximum amount of a qualified investment for the taxable year; and].

366 ~~[(b) 5%]~~
367 ~~[(3)]~~ (6) A tax credit under this section may not be carried forward or carried back.
368 Section 5. Section **59-10-1313** is amended to read:

369 **59-10-1313. Contribution to a Utah Educational Savings Plan account.**

370 (1) (a) If a resident or nonresident individual is owed an individual income tax refund
371 for the taxable year, the individual may designate on the resident or nonresident individual's
372 income tax return a contribution to a Utah Educational Savings Plan account established under
373 Title 53B, Chapter 8a, Utah Educational Savings Plan, ~~[in the amount of the entire individual~~
374 ~~income tax refund]~~ as provided in this part.

375 (b) If a resident or nonresident individual is not owed an individual income tax refund
376 for the taxable year, the individual may not designate on the resident or nonresident's individual
377 income tax return a contribution to a Utah Educational Savings Plan account.

378 (2) (a) The commission shall send the contribution to the Utah Educational Savings
379 Plan along with the following information:

- 380 (i) the amount of the individual income tax refund; and
- 381 (ii) the taxpayer's:
 - 382 (A) name;
 - 383 (B) Social Security number or taxpayer identification number; and
 - 384 (C) address.

385 (b) The commission shall provide the taxpayer's telephone number and number of
386 dependents claimed, as requested, to the Utah Educational Savings Plan.

387 (c) If a contribution to a Utah Educational Savings Plan account is designated in a
388 single individual income tax return filed jointly by a husband and wife, the commission shall
389 send the information described under Subsection (2)(a) or (b) for both the husband and wife to
390 the Utah Educational Savings Plan.

391 (3) (a) If the taxpayer owns a Utah Educational Savings Plan account, the Utah
392 Educational Savings Plan shall deposit the contribution into the account.

393 (b) If the taxpayer owns more than one Utah Educational Savings Plan account, the

394 Utah Educational Savings Plan shall allocate the contribution among the accounts in equal
395 amounts.

396 (c) (i) If the taxpayer does not own a Utah Educational Savings Plan account, the Utah
397 Educational Savings Plan shall send the taxpayer an account agreement.

398 (ii) If the taxpayer does not sign and return the account agreement by the date specified
399 by the Utah Educational Savings Plan, the Utah Educational Savings Plan shall return the
400 contribution to the taxpayer without any interest or earnings.

401 (4) For the purpose of determining interest on an overpayment or refund under Section
402 [59-1-402](#), no interest accrues after the commission sends the contribution to the Utah
403 Educational Savings Plan.

404 **Section 6. Effective date -- Retrospective operation.**

405 (1) The actions affecting Sections [53B-8a-102](#), [53B-8a-106](#), [59-7-106](#), and [59-10-1017](#)
406 have retrospective operation for a taxable year beginning on or after January 1, 2015.

407 (2) The actions affecting Section [59-10-1313](#) take effect for a taxable year beginning
408 on or after January 1, 2016.