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Utah Code Section 59-10-1402

Definitions.

As used in this part:

- (1) "Addition, subtraction, or adjustment" means:
 - (a) for a pass-through entity taxpayer that is classified as a C corporation for federal income tax purposes, under Chapter 7, Corporate Franchise and Income Taxes:
 - (i) an addition to unadjusted income described in Section 59-7-105; or
 - (ii) a subtraction from unadjusted income described in Section 59-7-106;
 - (b) for a pass-through entity taxpayer that is classified as an individual, partnership, or S corporation for federal income tax purposes:
 - (i) an addition to or subtraction from adjusted gross income described in Section 59-10-114; or
 - (ii) an adjustment to adjusted gross income described in Section 59-10-115; or
 - (c) for a pass-through entity taxpayer that is classified as an estate or a trust for federal income tax purposes:
 - (i) an addition to or subtraction from unadjusted income described in Section 59-10-202; or
 - (ii) an adjustment to unadjusted income described in Section 59-10-209.1.
- (2) "Business income" means income arising from transactions and activity in the regular course of a pass-through entity's trade or business and includes income from tangible and intangible property if the acquisition, management, and disposition of the property constitutes integral parts of the pass-through entity's regular trade or business operations.
- (3) "C corporation" means the same as that term is defined in Section 1361, Internal Revenue Code.
- (4) "Commercial domicile" means the principal place from which the trade or business of a business entity is directed or managed.
- (5) "Dependent beneficiary" means an individual who:
 - (a) is claimed as a dependent under Section 151, Internal Revenue Code, on another person's federal income tax return; and
 - (b) is a beneficiary of a trust that is a pass-through entity.
- (6) "Derived from or connected with Utah sources" means:
 - (a) if a pass-through entity taxpayer is classified as a C corporation for federal income tax purposes, derived from or connected with Utah sources in accordance with Chapter 7, Part 3, Allocation and Apportionment of Income - Utah UDITPA Provisions; or
 - (b) if a pass-through entity or pass-through entity taxpayer is classified as an estate, individual, partnership, S corporation, or a trust for federal income tax purposes, derived from or connected with Utah sources in accordance with Sections 59-10-117 and 59-10-118.
- (7) "Final pass-through entity taxpayer" means a pass-through entity taxpayer who is a resident or nonresident individual.

- (8) "Nonbusiness income" means all income of a pass-through entity other than business income.
- (9) "Nonresident business entity" means a business entity that does not have its commercial domicile in this state.
- (10) "Nonresident pass-through entity taxpayer" means a pass-through entity taxpayer that is a:
- (a) nonresident individual; or
 - (b) nonresident business entity.
- (11) "Pass-through entity" means a business entity that is:
- (a) the following if classified as a partnership for federal income tax purposes:
 - (i) a general partnership;
 - (ii) a limited liability company;
 - (iii) a limited liability partnership; or
 - (iv) a limited partnership;
 - (b) an S corporation;
 - (c) an estate or trust with respect to which the estate's or trust's income, gain, loss, deduction, or credit is divided among and passed through to one or more pass-through entity taxpayers; or
 - (d) a business entity similar to Subsections (11)(a) through (c):
 - (i) with respect to which the business entity's income, gain, loss, deduction, or credit is divided among and passed through to one or more pass-through entity taxpayers; and
 - (ii) as defined by the commission by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (12) "Pass-through entity taxpayer" means a resident or nonresident individual, a resident or nonresident business entity, or a resident or nonresident estate or trust:
- (a) that is:
 - (i) for a general partnership, a partner;
 - (ii) for a limited liability company, a member;
 - (iii) for a limited liability partnership, a partner;
 - (iv) for a limited partnership, a partner;
 - (v) for an S corporation, a shareholder;
 - (vi) for an estate or trust described in Subsection(11)(c), a beneficiary; or
 - (vii) for a business entity described in Subsection(11)(d), a member, partner, shareholder, or other title designated by the commission by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; and
 - (b) to which the income, gain, loss, deduction, or credit of a pass-through entity is passed through.
- (13) "Resident business entity" means a business entity that is not a nonresident business entity.
- (14) "Resident pass-through entity taxpayer" means a pass-through entity taxpayer that is a:
- (a) resident individual; or
 - (b) resident business entity.
- (15) "Return" means a return that a pass-through entity taxpayer files:
- (a) for a pass-through entity taxpayer that is classified as a C corporation for federal income tax purposes, under Chapter 7, Corporate Franchise and Income Taxes; or
 - (b) for a pass-through entity taxpayer that is classified as an estate, individual, partnership, S corporation, or a trust for federal income tax purposes, under this chapter.

- (16) "S corporation" means the same as that term is defined in Section 1361, Internal Revenue Code.
- (17) "Share of income, gain, loss, deduction, or credit of a pass-through entity" means:
- (a) for a pass-through entity except for a pass-through entity that is an S corporation:
 - (i) for a resident pass-through entity taxpayer, the resident pass-through entity taxpayer's distributive share of income, gain, loss, deduction, or credit of the pass-through entity as determined under Section 704 et seq., Internal Revenue Code; and
 - (ii) for a nonresident pass-through entity taxpayer, the nonresident pass-through entity taxpayer's distributive share of income, gain, loss, deduction, or credit of the pass-through entity:
 - (A) as determined under Section 704 et seq., Internal Revenue Code; and
 - (B) derived from or connected with Utah sources; or
 - (b) for an S corporation:
 - (i) for a resident pass-through entity taxpayer, the resident pass-through entity taxpayer's pro rata share of income, gain, loss, deduction, or credit of the S corporation, as determined under Sec. 1366 et seq., Internal Revenue Code; or
 - (ii) for a nonresident pass-through entity taxpayer, the nonresident pass-through entity taxpayer's pro rata share of income, gain, loss, deduction, or credit of the S corporation:
 - (A) as determined under Section 1366 et seq., Internal Revenue Code; and
 - (B) derived from or connected with Utah sources.
- (18) "Statement of dependent beneficiary income" means a statement:
- (a) signed by the person who claims a dependent beneficiary as a dependent under Section 151, Internal Revenue Code, on the person's federal income tax return for the taxable year;
 - (b) attesting that the dependent is a dependent beneficiary; and
 - (c) indicating that the person expects that the dependent beneficiary's adjusted gross income for the taxable year will not exceed the basic standard deduction for the dependent beneficiary, as calculated under Section 63, Internal Revenue Code, for that taxable year.
- (19) "Voluntary taxable income" means the sum of a pass-through entity's income that is:
- (a) attributed to a final pass-through entity taxpayer who is a resident individual; and
 - (b)
 - (i) business income and nonbusiness income that is derived from or connected with Utah sources; and
 - (ii) attributed to a final pass-through entity taxpayer who is a nonresident individual.xpayer claims a tax credit under Section 59-7-614.4.