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

Upcoming Webinars & Trainings

SEP 17 — 8:30 am - 5:00 pm
Small Business Employer Tax Workshop

SEP 17 — 10:00 am - 11:00 am
Webinar- Utah Individual Income Tax Filing Requirements – Residency and Domicile

OCT 21 — 9:00 am - 11:00 am
Sales Tax Workshop

NOV 12 — 8:30 am - 5:00 pm
Small Business Employer Tax Workshop

View Calendar

View a list of previous trainings.

Previous Webinars and Trainings

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.

Search

Date	Title	Category/Tax Type	Video Link
2026-07-16	Utah Child and Dependent Individual Income Tax Information	Income Tax	Video Link | PDF
2026-06-18	Sales Tax In the Motor Vehicle Industry	Sales Taxes	Video Link | PDF
2026-05-15	Utah Military Topics, Deductions and Credits	Income Tax	Video Link | PDF
2026-04-23	Sales Related Taxes and Fees	Sales Taxes	Video Link | PDF
2026-03-19	Individual Income Tax Audits and Common Issues	Income Tax	Video Link | PDF
2026-02-19	Taxpayer Access Point	Income Tax	Video Link | PDF
2026-01-15	2025 Individual and Corporate Tax Updates	Income Tax	Video Link | PDF
2025-12-18	Utah Sales Tax Return's and Line Adjustments	Sales Tax	Video Link | PDF

Utah Individual Income Tax Filing Requirements



Residency and Domicile

Utah Individual Income Tax Filing Requirements

Who Must File a Utah Return

Code 59-10-502

You must file a Utah TC-40 return if you:

1. are a Utah resident or part-year resident required to file a federal return,
2. are a nonresident or part-year resident with income from Utah sources required to file a federal return, or
3. want a refund of any income tax overpaid.

To file a Utah return, first complete your federal return, even if you do not have to file with the IRS. You need the federal return information to complete your Utah return.

Qualified Exempt Taxpayer –

Code 59-10-104.1

For 2025 tax year and prior.

- If your **federal adjusted gross income** is less than or equal to your federal standard deduction, you are exempt from Utah income tax.

NOTE: For this purpose, the federal standard deduction **does not** include the extra deductions for age or blindness

2025 Utah TC-40 Instructions

Qualified Exempt Taxpayer Worksheet (Line 21)

1. Enter the federal adjusted gross income from line 11a of your federal return (1040, 1040-SR, 1040NR) — 1 _____

2. Enter your standard deduction. — 2 _____

   Note: If your standard deduction was limited, enter the amount allowed on your federal return. Federal 1040NR filers enter "0". Otherwise, see the following for your filing status:

   a. **Single:** Enter $15,750
   b. **Head of Household:** Enter $23,625
   c. **Married filing joint:** Enter $31,500
   d. **Married filing separate:** If your spouse did not itemize, enter $15,750. If your spouse itemized, enter "0"
   e. **Qualifying surviving spouse:** Enter $31,500

3. Federal enhanced deduction for seniors. — 3 _____

   Enter the amount from federal form 1040, Schedule 1-A, line 37. If you did not file federal form 1040, Schedule 1-A, enter "0".

4. Add lines 2 and 3. — 4 _____

5. Subtract line 4 from line 1. If the amount is less than zero, enter "0". — 5 _____

If the amount on line 5 of this worksheet is **more than zero**, leave the box on TC-40, line 21 blank and go to line 22.

If the amount on line 5 of this worksheet is **zero**, you are exempt from Utah income tax. Enter "X" in the box on TC-40, line 21 and enter "0" on line 22. Then complete the rest of the return.

Qualified Exempt Taxpayer

Code 59-10-104.1

For 2026 tax year. (2025 Utah HB 60)

- If your **Utah taxable income (line 7)** is less than or equal to your federal standard deduction, you are exempt from Utah income tax.

NOTE: For this purpose, the federal standard deduction **does not** include the extra deductions for age or blindness

Qualified Exempt Taxpayer Worksheet (Line 19)

1. Enter the amount from TC-40 line 7 (Utah taxable income).	1 [RP4]	_____
2. Enter your standard deduction.	2	_____

Note: If your standard deduction was limited, enter the amount allowed on your federal return. Federal 1040NR filers enter "0". Otherwise, see the following for your filing status:

a. **Single:** Enter $16,100
b. **Head of Household:** Enter $24,150
c. **Married filing joint:** Enter $32,200
d. **Married filing separate:** If your spouse did not itemize, enter $16,100. If your spouse itemized, enter "0"
e. **Qualifying surviving spouse:** Enter $32,200——

3. Federal enhanced deduction for seniors. Enter the amount from federal form 1040, Schedule 1-A, line 37. If you did not file federal form 1040, Schedule 1-A, enter "0".	3	_____
4. Add lines 2 and 3.	4	_____
5. Subtract line 4 from line 1. If the amount is less than zero, enter "0".	5	_____

If the amount on line 5 of this worksheet is **more than zero**, leave the box on TC-40, line 19 blank and go to line 20.

If the amount on line 5 of this worksheet is **zero**, you are exempt from Utah income tax. Enter "X" in the box on TC-40, line 19 and enter "0" on line 20. Then complete the rest of the return.

Nonresident Filing Exemption

Pass Through Entity Taxpayer

- You do not need to file a Utah return if:

1. you are a nonresident whose only Utah source of income is from a partnership, S corporation or trust (or other pass-through entity);

2. the partnership, S corporation, trust or other pass-through entities withheld Utah income tax on your Utah income; and

3. you are not claiming a Utah tax credit.

Nonresident Wage Exemption

Code 59-10-117.5

Effective: Taxable year beginning on or after January 1, 2023

Excludes a non-resident individual's wages from being considered Utah source income if for the taxable year:

- The nonresident individual has **no other Utah source income**.
- The nonresident individual is present in Utah to perform employment **duties for 20 or fewer days**.
- The **nonresident individual's state of residence does not impose** an individual income tax or **provides Utah residents a substantially similar exclusion**.

Nonresident Wage Exemption

Code 59-10-117.5

This exclusion does not apply to:

- A professional athlete or member of a professional athlete team.
- Professional entertainer or performer.
- A person of prominence who performs services on a per event basis.
- A real property construction service provider.
- A key employee under IRC Section 416(i).

What is Utah Income Tax?

Utah Tax

Code 59-10-104

- A tax is imposed on the state taxable income of a resident individual.

- The tax is an amount equal to the product of:
  - the resident individual's state taxable income for that taxable year; and
  - tax rate for the taxable year (4.5% for 2025 and 4.45% for 2026)

Utah Tax on Nonresidents

Code 59-10-116

A tax is imposed on a nonresident individual in an amount equal to the product of the:

- nonresident individual's state taxable income; and
- tax rate for the taxable year (4.5% for 2025 and 4.45% for 2026).

What is Utah State Taxable Income?

Taxable Income - Definition

Code 59-10-103

For a resident individual:

- Their adjusted gross income after making any required additions, subtractions, and adjustments.

For a nonresident individual:

- Their adjusted gross income after making any required additions, subtractions, and adjustments; and
- calculating the portion of the amount that is derived from Utah sources. (TC-40 schedule B)

Utah State Taxable Income

Code 59-10-117

State taxable income from Utah sources includes:

- Interest in real or tangible personal property.
- Carrying on of a business, trade, profession, or occupation.
- Income from intangible personal property.
- A salary, wage, commission, or compensation for personal services.
- A share of income, gain, loss, deduction, or credit of a nonresident pass-through entity taxpayer derived from or connected with Utah sources.

Domicile and Residency

Definition of Domicile

- Domicile is being a lawful permanent resident in a certain jurisdiction. A person can remain domiciled in a jurisdiction even after they have left it, if they have maintained sufficient links with that jurisdiction or have not displayed an intention to leave permanently.

Utah Definition of a Resident

- A resident is a person who is domiciled in Utah for any period during the taxable year, but only for the duration of that period.

Utah Definition of Non-Resident

A nonresident is a person who is not a resident

Utah Definition of Part-Year Resident

A part-year resident is a person who is a resident for part of the year and a nonresident for part of the year.

All income received during the period of residency is taxable in Utah, regardless of where that income is earned, unless specifically exempted.

Income from Utah sources is taxable in Utah during the period of non-residency.

Utah Domicile (Utah Code §59-10-136)

- 2 tests for Utah Domicile
- Qualifications to not have domicile in Utah
- Domicile for Spouses
- Special Instructions

Domicile Test 1-

- You are domiciled in Utah if you or your spouse:
  - claimed a child tax credit (IRC §24) for a dependent on your federal tax return, and the dependent is enrolled in a Utah public K-12 school (this does not apply if you are the noncustodial parent and are not married to the custodial parent);
  - are enrolled as a resident student in a Utah state institution of higher education; or
  - voted in Utah during the tax year and were neither registered to vote nor voted in another state.

Utah Supreme Court Case

- Buck v Tax Commission
  - “Taxpayers are not statutorily barred from having a meaningful opportunity to rebut the presumption.”
  - “In applying these rather orthodox principles of domicile, courts look to a multiplicity of factors including, but most certainly not limited to the places where the individual exercises civil and political rights, pays taxes, owns real and personal property, has driver’s and other licenses, maintains bank accounts, belongs to clubs and churches, has places of business or employment, and maintains a home for his [or her] family”

Domicile Test 2

- Even if you do not meet the conditions in Test 1, you are still domiciled in Utah if you or your spouse:
  - have a permanent home in Utah to which either of you intend to return after being absent; and
  - have voluntarily settled in Utah, not for a special or temporary purpose, but with the intent of making a permanent home.
- Whether you have a permanent home in Utah is based on a preponderance of the evidence (i.e., the evidence you have a permanent home is more convincing than any evidence you do not), taking into consideration all of the following facts and circumstances:
  - You or your spouse has a Utah driver's license.
  - You or your spouse receive a residential exemption for a primary residence under UCA §59-2, *Property Tax Act.*

Domicile Test 2 - Continued

- You or your spouse claims a federal tax credit (IRC §24) for a dependent who is enrolled as a resident student in a Utah state institution of higher education.
- The nature and quality of the living accommodations you or your spouse has in Utah compared to another state.
- You have a spouse or dependent in Utah for whom you or your spouse claims a federal tax credit under IRC §24.
- The physical location where you or your spouse earns income.
- The state of registration of a vehicle owned or leased by you or your spouse.

Domicile Test 2 - Continued

- You or your spouse has a membership in a church, club or similar organization in Utah.
- You or your spouse lists a Utah address on mail, a telephone listing, a listing in an official government publication, other correspondence, or similar item.
- You or your spouse lists a Utah address on a federal or state tax return.
- You or your spouse file a Utah income tax return as a full-year or part-year resident.
- You or your spouse claims Utah residency on a document (other than a Utah income tax return) filed with or provided to a court or other government entity.

Domicile Test 2 - Continued

- You or your spouse fails to obtain a permit or license normally required of a resident in the state where you claim to have domicile.
- You are the noncustodial parent of a dependent enrolled in a Utah public K-12 school for which you claimed a child tax credit (IRC §24) on your federal tax return, and you are divorced from the custodial parent.
- You maintain a place of abode in Utah and spent 183 or more days of the taxable year in Utah.
- You or your spouse did not vote in Utah during the taxable year but voted in Utah in any of the three prior years and was not registered to vote in another state during those three years.

No Utah Domicile

You do not have Utah domicile if you are absent from Utah for at least 761 consecutive days and during this time you or your spouse:

1. do not return to Utah for more than 30 days in a calendar year,
2. do not claim a child tax credit under IRC §24 on your federal tax return for a dependent who is enrolled in a Utah public K-12 school (unless you are a noncustodial parent of the dependent and are divorced from the custodial parent),
3. are not enrolled in a Utah state institution of higher education as a resident student,
4. do not claim the residential exemption for property tax on your primary residence in Utah, or
5. do not claim Utah as your tax home for federal tax purposes.

No Utah Domicile - Continued

- An absence from the state begins on the later of the date you or your spouse leaves Utah and ends on the day you or your spouse returns to and stays in Utah for more than 30 days in a calendar year.
- If you do not have Utah domicile, you may choose to have Utah domicile by filing a Utah resident income tax return.

Spouse

If your spouse has Utah domicile under Test 1 (above), you also have Utah domicile. If your spouse has Utah domicile under Test 2, you also have Utah domicile unless you can establish by a preponderance of the evidence (i.e., the evidence for your claim is more convincing than any evidence against it) that during the tax year and the three prior years you did not:

1. own property in Utah,
2. spend more than 30 days in a calendar year in Utah,
3. receive earned income for services performed in Utah,
4. vote in Utah, or
5. have a Utah driver's license.

Spouse - Continued

- You are not considered to have a spouse with Utah domicile if:
  1. you and your spouse are legally separated or divorced, or
  2. you and your spouse both claimed married filing separately on your federal individual income tax returns for the taxable year.

Special Instructions for Married Couples

A married couple who files a joint federal return may file separate Utah returns ONLY IF:

- one spouse is a full-year Utah resident, AND
- the other spouse is a full-year nonresident.

The nonresident spouse is not required to file a Utah return unless they have Utah income.

See *Special Instructions* in the TC-40 instructions.

NOTE: If either you or your spouse is a part-year resident, you may not use Special Instructions, and your filing status must match your federal return.

Special Instructions for Married Couples

Special Instructions for Couples

1. Complete a federal return "as if" you were filing separately.

   DO NOT file the "as if" return with the IRS. Use this return ONLY to complete these special instructions.

2. Determine your allocation percentage:

   A. Adjusted gross income on your married filing joint federal return _____

   B. Utah resident spouse's federal adjusted gross income only _____

   - For a full-year Utah resident, federal "as if" adjusted gross income.
   - For a nonresident who has Utah income and must file a Utah return, federal adjusted gross income.

   C. **Allocation percentage** _____

   - Divide line B by line A and carry to four decimal places.

3. Follow the line-by-line instructions in this book to complete Utah form TC-40, **with the following exceptions:**

   Box 1 **Filing Status** – Enter a "9." This code is not shown on the return but is valid for this special calculation.

   Line 4 **Federal Adjusted Gross Income** – Enter the federal "as if" adjusted gross income from line 2B, above.

   Line 5 **Additions to Income** – Multiply each addition to income by the allocation percentage, above. Enter the additions on TC-40A, Part 1, and carry the total to TC-40, line 5.

   Line 7 **State tax refund included on federal return** – Multiply any state income tax refund on federal form 1040, Schedule 1, line 1 by the allocation percentage, above.

   Line 8 **Subtractions from Income** – Except for codes 82 and 88, multiply each subtraction from income by the allocation percentage, above. Enter the subtractions on TC-40A, Part 2, and carry the total to line 8.

   If filing for the service member:

   a. Subtract the total military pay earned while not a Utah resident that was included in federal adjusted gross income on TC-40A, Part 2, using code 82.

   b. Code 88 is not allowed.

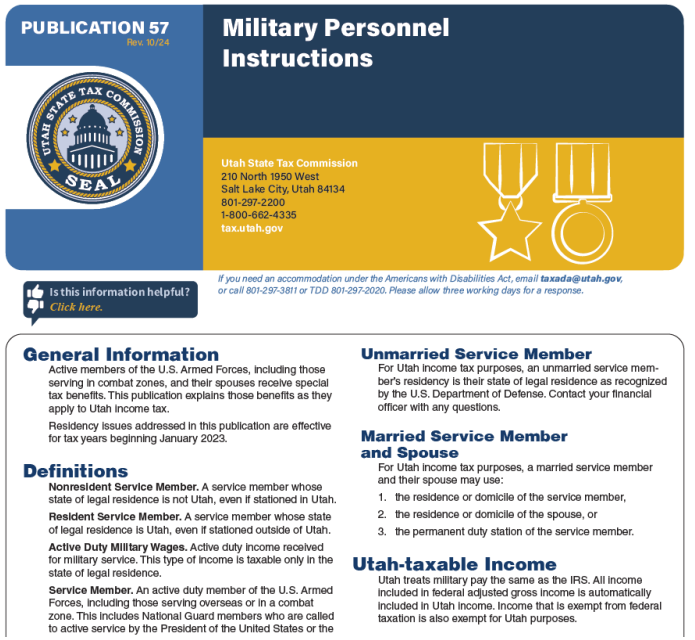
   Line 11 **Utah personal exemption** – Multiply the number of qualifying dependents from line 2d by the allocation percentage, above. Then multiply the result by $2,111.

   Line 12 **Federal standard or itemized deductions** – Multiply the deduction claimed on your married filing joint federal income tax return by the allocation percentage, above.

4. Complete Utah form TC-40B using the amounts from your "as if" married filing separate federal return.
5. Complete the rest of the Utah return.
6. Attach a copy of both your married filing joint federal return and your "as if" married filing separate federal return. You do not need to include federal 1040 schedules and supporting documents.

Special Instructions – Active-Duty Military

- Active-duty military members may also be eligible for special instructions if they meet the rules outlined in publication 57 *Military Personnel Instructions*



PUBLICATION 57
Rev. 10/24

Military Personnel Instructions

Utah State Tax Commission
210 North 1950 West
Salt Lake City, Utah 84134
801-297-2200
1-800-662-4335
tax.utah.gov

*If you need an accommodation under the Americans with Disabilities Act, email **taxada@utah.gov**, or call 801-297-3811 or TDD 801-297-2020. Please allow three working days for a response.*

Is this information helpful? *Click here.*

General Information

Active members of the U.S. Armed Forces, including those serving in combat zones, and their spouses receive special tax benefits. This publication explains those benefits as they apply to Utah income tax.

Residency issues addressed in this publication are effective for tax years beginning January 2023.

Definitions

Nonresident Service Member. A service member whose state of legal residence is not Utah, even if stationed in Utah.

Resident Service Member. A service member whose state of legal residence is Utah, even if stationed outside of Utah.

Active Duty Military Wages. Active duty income received for military service. This type of income is taxable only in the state of legal residence.

Service Member. An active duty member of the U.S. Armed Forces, including those serving overseas or in a combat zone. This includes National Guard members who are called to active service by the President of the United States or the

Unmarried Service Member

For Utah income tax purposes, an unmarried service member's residency is their state of legal residence as recognized by the U.S. Department of Defense. Contact your financial officer with any questions.

Married Service Member and Spouse

For Utah income tax purposes, a married service member and their spouse may use:

1. the residence or domicile of the service member,
2. the residence or domicile of the spouse, or
3. the permanent duty station of the service member.

Utah-taxable Income

Utah treats military pay the same as the IRS. All income included in federal adjusted gross income is automatically included in Utah income. Income that is exempt from federal taxation is also exempt for Utah purposes.

Special Instructions - Example

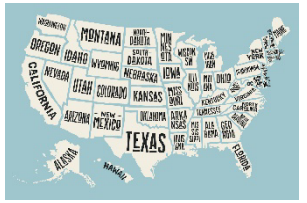
- Federal Return:
  - Married filing joint with 3 dependents
  - Adjusted Gross Income of $100,000
  - Standard deduction of $25,900
- Resident Spouse filing special instructions:
  - Adjusted Gross Income of $40,000

$40,000/$100,000 = 40%

- Married Joint - Utah
  - AGI - $100,000
  - Dependent deduction - $5,406
  - Standard deduction - $25,900

- Special Instructions
  - AGI - $40,000
  - Dependent deduction - $2,162
  - Standard deduction - $10,360

Residency for Military Members



Federal law defines the residency of service members and their spouses. See 50 U.S.C. 4001(a).

(1)- A **service member** shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the service member by reason of being absent or present in any tax jurisdiction of the United States solely in compliance with military orders.

(2) -A **spouse of a service member** shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the spouse by reason of being absent or present in any tax jurisdiction of the United States solely to be with the service member in compliance with the service member's military orders.

NOTE: When electing to change residency please contact your financial officer to update your form DD 2058 – State of Legal Residence Certificate

Residency for Military Members

Changed in 2023- H.R.7939 - Veterans Auto and Education Improvement Act of 2022

Election: IF MARRIED

For any taxable year of the marriage, a service member and the spouse of such service member may elect to use for purposes of taxation, regardless of the date on which the marriage of the service member and the spouse occurred, any of the following:

(A) The residence or domicile of the service member,

(B) The residence or domicile of the spouse, or

(C) The permanent duty station of the service member.



NOTE: When electing to change residency please contact your financial officer to update your form DD 2058 – State of Legal Residence Certificate

Home of Record VS.
State of Legal Residence

"Home of record" is almost always the state where you first joined the military. Home of record (HOR) is an accounting term used by the military to determine several military benefits, such as travel allowances, transportation expenses, travel time to report to duty, etc.

"State of Legal Residence" (SLR) and **"Domicile"** mean the same thing; your true, fixed, and permanent home. This is the place where, although you may leave for military duty, you intend to return.

Native American Income

Native Americans who earn income in Utah must file a Utah tax return.

- Certain income earned by Utah Native Americans may be exempt from Utah income tax. To qualify they must:

1. be an enrolled member of a Native American tribe in Utah
2. live on your tribe's reservation, and
3. earn the income on your tribe's reservation (for active-duty military income, see Pub 57)

Nation/Tribe Code	
1	Confederated Tribes of the Goshute Reservation
2	Navajo Nation Reservation
3	Paiute Indian Tribe of Utah
4	Skull Valley Band of Goshute Indians
5	Ute Indian Tribe
6	Other tribe

Enrolled members of the Ute tribe who work on the Uintah and Ouray Reservation and live on land removed from that reservation under Hagen vs. Utah (510 U.S. 399 (1994)) are exempt from Utah income tax on income earned on the reservation.

Students

All Utah residency rules and filing requirements apply to students.

- Utah residents going to school in another state
- Nonresidents attending a Utah school

Income Earned Outside of Utah

Income from Other States

- Utah residents who earn income in other states must pay Utah tax on that income. You may claim a credit for income tax paid to another state if the other state also taxes the same income.

Income from Other Countries

- Utah residents who live and work abroad must pay Utah tax on income earned in other countries if the income is included in federal adjusted gross income on the federal return. There is no Utah credit for taxes paid to another country.

Part year residents rarely qualify for a credit for taxes paid to another state. If the out of state income was not included in column A on the TC-40 schedule B, you cannot claim a credit for taxes paid to another state. Nonresidents **do not** qualify for this credit.

Clear form

Credit for Income Tax Paid to Another State — **TC-40S 2025**

40508 SSN _____ Last name _____

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: Co	1 45000 .00	
2	Federal adjusted gross income from TC-40, line 4 (see instructions)	2 100000 .00	
3	Divide line 1 by line 2; round to 4 decimal places. Do not enter a number greater than 1.0000.		3 0 . 4 5 0 0
4	Utah income tax from TC-40, line 22. Part-year residents, see instructions.	4 4500 .00	
5	Credit limitation - multiply line 4 by decimal on line 3	5 2025 .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 1950 .00	
7	Credit for tax paid another state - lesser of line 5 or line 6		7 1950 .00

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
Sales and Use Tax Information	tax.utah.gov/sales
Tax Training	tax.utah.gov/training