

SALES TAX ON MOTOR VEHICLES

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Norman K. Thurston

Senate Sponsor: Lincoln Fillmore

LONG TITLE**Committee Note:**

The Revenue and Taxation Interim Committee recommended this bill.

Legislative Vote: 11 voting for 0 voting against 8 absent

General Description:

This bill modifies provisions of the Sales and Use Tax Act related to determining the location of certain transactions.

Highlighted Provisions:

This bill:

- ▶ provides that when a dealer sells an aircraft, manufactured home, mobile home, modular home, motor vehicle, or watercraft over the Internet, the location of the transaction is where the purchaser takes receipt of the property; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:**AMENDS:****59-12-213**, as enacted by Laws of Utah 2008, Chapter 384

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

Section 1. Section **59-12-213** is amended to read:

59-12-213. Location of a transaction involving a sale of aircraft, a manufactured home, a mobile home, a modular home, a motor vehicle, or watercraft.

(1) (a) Except as provided in Subsection (1)(b) or (4), the location of a sale of the following tangible personal property is determined as provided in this section:

- (i) aircraft;
- (ii) a manufactured home;
- (iii) a mobile home;
- (iv) a modular home;
- (v) a motor vehicle; or
- (vi) watercraft.

(b) The location of the sale of tangible personal property described in Subsection (1)(a) is determined in accordance with Sections [59-12-211](#) and [59-12-212](#) if the tangible personal property described in Subsection (1)(a) is transportation equipment as defined in Section [59-12-211](#).

(2) (a) ~~[H]~~ Except as provided in Subsection (2)(b), if an item of tangible personal property described in Subsection (1)(a) is sold by a dealer of that tangible personal property, the location of the sale of that tangible personal property is the business location of the dealer.

(b) If an item of tangible personal property described in Subsection (1)(a) is sold over the Internet by a dealer of that tangible personal property, the location of the sale of that tangible personal property is the location where the purchaser takes receipt of the tangible personal property.

(3) If an item of tangible personal property described in Subsection (1)(a) is sold by a person other than a dealer of that tangible personal property, the location of the sale of that tangible personal property is:

(a) if the tangible personal property is required to be registered with the state before the tangible personal property is used on a public highway, on a public waterway, on public land, or in the air, the location of the street address at which the tangible personal property is registered; or

(b) if the tangible personal property is not required to be registered as provided in

59 Subsection (3)(a), the location of the street address at which the purchaser of the tangible
60 personal property resides.

61 (4) This section does not apply to the lease or rental of tangible personal property
62 described in Subsection (1)(a).