

SHORT-TERM RENTAL MODIFICATIONS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stewart E. Barlow

Senate Sponsor: Daniel McCay

LONG TITLE

General Description:

This bill addresses the taxation of short-term rentals of accommodations and motor vehicles.

Highlighted Provisions:

This bill:

- defines "short-term rental" in the sales and use tax code;
- applies the defined term to the taxes on accommodations and motor vehicles; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

13-48a-101, as enacted by Laws of Utah 2023, Chapter 361

59-12-102 (Contingently Superseded 01/01/25), as last amended by Laws of Utah 2023, Chapters 329, 361

59-12-102 (Contingently Effective 01/01/25), as last amended by Laws of Utah 2023, Chapters 329, 361 and 459

59-12-103 (Contingently Superseded 01/01/25), as last amended by Laws of Utah 2023, Chapters 22, 213, 329, 361, and 471

59-12-103 (Contingently Effective 01/01/25), as last amended by Laws of Utah 2023, Chapters 22, 213, 329, 361, 459, and 471

59-12-602, as last amended by Laws of Utah 2023, Chapter 361

59-12-603, as last amended by Laws of Utah 2023, Chapters 361, 471 and 479

59-12-1201, as last amended by Laws of Utah 2023, Chapters 361, 471

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

Section 1. Section **13-48a-101** is amended to read:

13-48a-101 . Definitions.

As used in this chapter:

- (1) (a) "Car sharing" means the authorized use of a motor vehicle:
 - (i) by an individual other than the owner of the motor vehicle; and
 - (ii) through a peer-to-peer car-sharing program.
- (b) "Car sharing" does not mean the business of providing private passenger motor vehicles to the public as used in Section 31A-22-311.
- (2) (a) "Car-sharing agreement" means an agreement:
 - (i) applicable to a shared vehicle owner and a shared vehicle driver; and
 - (ii) that governs a shared vehicle driver's use of a shared vehicle through a car-sharing program.
- (b) "Car-sharing agreement" does not mean:
 - (i) a rental agreement, as defined in Section 31A-22-311; or
 - (ii) a short-term rental as that term is defined in Section ~~[59-12-602]~~ 59-12-102.
- (3) "Car-sharing delivery period" means the period of time during which a shared vehicle is being delivered to the location of the car-sharing start time, if applicable, as documented by the governing car-sharing agreement.
- (4) "Car-sharing period" means the period of time that:
 - (a) (i) begins at the car-sharing delivery period; or
 - (ii) if there is no car-sharing delivery period, begins at the car-sharing start time; and
 - (b) ends at the car-sharing termination time.
- (5) (a) "Car-sharing program" or "peer-to-peer car-sharing program" means a business platform that connects motor vehicle owners with drivers to enable the sharing of motor vehicles for consideration.
- (b) "Car-sharing program" does not mean:
 - (i) a motor vehicle rental company, as defined in Section 13-48-102; or
 - (ii) a rental company, as defined in Section 31A-22-311.
- (6) "Car-sharing start time" means the time when a shared vehicle becomes subject to the control of the shared vehicle driver at or after the time the reservation of the shared vehicle is scheduled to begin, as documented in the records of the car-sharing program.
- (7) "Car-sharing termination time" means the earliest of the following events:

- 63 (a) the expiration of the agreed upon period of time established for the use of a shared
64 vehicle according to the terms of the car-sharing agreement, if the shared vehicle is
65 delivered to the location agreed upon in the car-sharing agreement;
- 66 (b) when the shared vehicle is returned to a location as alternatively agreed upon by the
67 shared vehicle owner and shared vehicle driver as communicated through a
68 car-sharing program, which alternatively agreed upon location shall be incorporated
69 into the car-sharing agreement; and
- 70 (c) when the shared vehicle owner or shared vehicle owner's authorized designee takes
71 possession and control of the shared vehicle.

72 (8) "Individual-owned shared vehicle" means:

- 73 (a) for a motor vehicle purchased in the state, a shared vehicle for which applicable sales
74 tax and use tax was paid on the purchase; or
- 75 (b) for a motor vehicle not purchased in the state, a shared vehicle for which:
76 (i) an applicable use tax was paid to this state on the purchase; or
77 (ii) sales tax or use tax was paid on the purchase in the jurisdiction in which the
78 motor vehicle was purchased.

79 (9) "Motor vehicle" means the same as that term is defined in Section 41-1a-102.

80 (10) "Shared vehicle" means a motor vehicle that is available for use by an individual other
81 than the shared vehicle owner through a car-sharing program.

82 (11) (a) "Shared vehicle driver" means an individual who has been authorized to drive a
83 shared vehicle by the shared vehicle owner under a car-sharing program.

84 (b) "Shared vehicle driver" does not mean a renter, as defined in Section 31A-22-311.

85 (12) (a) "Shared vehicle owner" means:

- 86 (i) the registered owner of a motor vehicle made available for car sharing; or
87 (ii) a person designated by the registered owner of a motor vehicle made available for
88 car sharing.

89 (b) "Shared vehicle owner" does not mean a rental company, as defined in Section
90 31A-22-311.

91 Section 2. Section **59-12-102** is amended to read:

92 **59-12-102 (Contingently Superseded 01/01/25). Definitions.**

93 As used in this chapter:

94 (1) "800 service" means a telecommunications service that:

- 95 (a) allows a caller to dial a toll-free number without incurring a charge for the call; and
96 (b) is typically marketed:

- (i) under the name 800 toll-free calling;
- (ii) under the name 855 toll-free calling;
- (iii) under the name 866 toll-free calling;
- (iv) under the name 877 toll-free calling;
- (v) under the name 888 toll-free calling; or
- (vi) under a name similar to Subsections (1)(b)(i) through (v) as designated by the Federal Communications Commission.

(2) (a) "900 service" means an inbound toll telecommunications service that:

- (i) a subscriber purchases;
- (ii) allows a customer of the subscriber described in Subsection (2)(a)(i) to call in to the subscriber's:
 - (A) prerecorded announcement; or
 - (B) live service; and
- (iii) is typically marketed:
 - (A) under the name 900 service; or
 - (B) under a name similar to Subsection (2)(a)(iii)(A) as designated by the Federal Communications Commission.

(b) "900 service" does not include a charge for:

- (i) a collection service a seller of a telecommunications service provides to a subscriber; or
- (ii) the following a subscriber sells to the subscriber's customer:
 - (A) a product; or
 - (B) a service.

(3) (a) "Admission or user fees" includes season passes.

(b) "Admission or user fees" does not include:

- (i) annual membership dues to private organizations; or
- (ii) a lesson, including a lesson that involves as part of the lesson equipment or a facility listed in Subsection 59-12-103(1)(f).

(4) "Affiliate" or "affiliated person" means a person that, with respect to another person:

- (a) has an ownership interest of more than 5%, whether direct or indirect, in that other person; or
- (b) is related to the other person because a third person, or a group of third persons who are affiliated persons with respect to each other, holds an ownership interest of more than 5%, whether direct or indirect, in the related persons.

- 131 (5) "Agreement" means the Streamlined Sales and Use Tax Agreement adopted on
132 November 12, 2002, including amendments made to the Streamlined Sales and Use Tax
133 Agreement after November 12, 2002.
- 134 (6) "Agreement combined tax rate" means the sum of the tax rates:
135 (a) listed under Subsection (7); and
136 (b) that are imposed within a local taxing jurisdiction.
- 137 (7) "Agreement sales and use tax" means a tax imposed under:
138 (a) Subsection 59-12-103(2)(a)(i)(A);
139 (b) Subsection 59-12-103(2)(b)(i);
140 (c) Subsection 59-12-103(2)(c)(i);
141 (d) Subsection 59-12-103(2)(d);
142 (e) Subsection 59-12-103(2)(e)(i)(A)(I);
143 (f) Section 59-12-204;
144 (g) Section 59-12-401;
145 (h) Section 59-12-402;
146 (i) Section 59-12-402.1;
147 (j) Section 59-12-703;
148 (k) Section 59-12-802;
149 (l) Section 59-12-804;
150 (m) Section 59-12-1102;
151 (n) Section 59-12-1302;
152 (o) Section 59-12-1402;
153 (p) Section 59-12-1802;
154 (q) Section 59-12-2003;
155 (r) Section 59-12-2103;
156 (s) Section 59-12-2213;
157 (t) Section 59-12-2214;
158 (u) Section 59-12-2215;
159 (v) Section 59-12-2216;
160 (w) Section 59-12-2217;
161 (x) Section 59-12-2218;
162 (y) Section 59-12-2219; or
163 (z) Section 59-12-2220.
- 164 (8) "Aircraft" means the same as that term is defined in Section 72-10-102.

- 165 (9) "Aircraft maintenance, repair, and overhaul provider" means a business entity:
166 (a) except for:
167 (i) an airline as defined in Section 59-2-102; or
168 (ii) an affiliated group, as defined in Section 59-7-101, except that "affiliated group"
169 includes a corporation that is qualified to do business but is not otherwise doing
170 business in the state, of an airline; and
171 (b) that has the workers, expertise, and facilities to perform the following, regardless of
172 whether the business entity performs the following in this state:
173 (i) check, diagnose, overhaul, and repair:
174 (A) an onboard system of a fixed wing turbine powered aircraft; and
175 (B) the parts that comprise an onboard system of a fixed wing turbine powered
176 aircraft;
177 (ii) assemble, change, dismantle, inspect, and test a fixed wing turbine powered
178 aircraft engine;
179 (iii) perform at least the following maintenance on a fixed wing turbine powered
180 aircraft:
181 (A) an inspection;
182 (B) a repair, including a structural repair or modification;
183 (C) changing landing gear; and
184 (D) addressing issues related to an aging fixed wing turbine powered aircraft;
185 (iv) completely remove the existing paint of a fixed wing turbine powered aircraft
186 and completely apply new paint to the fixed wing turbine powered aircraft; and
187 (v) refurbish the interior of a fixed wing turbine powered aircraft in a manner that
188 results in a change in the fixed wing turbine powered aircraft's certification
189 requirements by the authority that certifies the fixed wing turbine powered aircraft.
- 190 (10) "Alcoholic beverage" means a beverage that:
191 (a) is suitable for human consumption; and
192 (b) contains .5% or more alcohol by volume.
- 193 (11) "Alternative energy" means:
194 (a) biomass energy;
195 (b) geothermal energy;
196 (c) hydroelectric energy;
197 (d) solar energy;
198 (e) wind energy; or

(f) energy that is derived from:

(i) coal-to-liquids;

(ii) nuclear fuel;

(iii) oil-impregnated diatomaceous earth;

(iv) oil sands;

(v) oil shale;

(vi) petroleum coke; or

(vii) waste heat from:

(A) an industrial facility; or

(B) a power station in which an electric generator is driven through a process in

which water is heated, turns into steam, and spins a steam turbine.

(12) (a) Subject to Subsection (12)(b), "alternative energy electricity production facility"

means a facility that:

(i) uses alternative energy to produce electricity; and

(ii) has a production capacity of two megawatts or greater.

(b) A facility is an alternative energy electricity production facility regardless of whether

the facility is:

(i) connected to an electric grid; or

(ii) located on the premises of an electricity consumer.

(13) (a) "Ancillary service" means a service associated with, or incidental to, the

provision of telecommunications service.

(b) "Ancillary service" includes:

(i) a conference bridging service;

(ii) a detailed communications billing service;

(iii) directory assistance;

(iv) a vertical service; or

(v) a voice mail service.

(14) "Area agency on aging" means the same as that term is defined in Section 26B-6-101.

(15) "Assisted amusement device" means an amusement device, skill device, or ride device

that is started and stopped by an individual:

(a) who is not the purchaser or renter of the right to use or operate the amusement

device, skill device, or ride device; and

(b) at the direction of the seller of the right to use the amusement device, skill device, or

ride device.

- (16) "Assisted cleaning or washing of tangible personal property" means cleaning or washing of tangible personal property if the cleaning or washing labor is primarily performed by an individual:
- (a) who is not the purchaser of the cleaning or washing of the tangible personal property; and
 - (b) at the direction of the seller of the cleaning or washing of the tangible personal property.
- (17) "Authorized carrier" means:
- (a) in the case of vehicles operated over public highways, the holder of credentials indicating that the vehicle is or will be operated pursuant to both the International Registration Plan and the International Fuel Tax Agreement;
 - (b) in the case of aircraft, the holder of a Federal Aviation Administration operating certificate or air carrier's operating certificate; or
 - (c) in the case of locomotives, freight cars, railroad work equipment, or other rolling stock, a person who uses locomotives, freight cars, railroad work equipment, or other rolling stock in more than one state.
- (18) (a) ~~[Except as provided in Subsection (18)(b), "biomass"]~~ "Biomass energy" means any of the following that is used as the primary source of energy to produce fuel or electricity:
- (i) material from a plant or tree; or
 - (ii) other organic matter that is available on a renewable basis, including:
 - (A) slash and brush from forests and woodlands;
 - (B) animal waste;
 - (C) waste vegetable oil;
 - (D) methane or synthetic gas produced at a landfill, as a byproduct of the treatment of wastewater residuals, or through the conversion of a waste material through a nonincineration, thermal conversion process;
 - (E) aquatic plants; and
 - (F) agricultural products.
- (b) "Biomass energy" does not include:
- (i) black liquor; or
 - (ii) treated woods.
- (19) (a) "Bundled transaction" means the sale of two or more items of tangible personal property, products, or services if the tangible personal property, products, or services

are:

(i) distinct and identifiable; and

(ii) sold for one nonitemized price.

(b) "Bundled transaction" does not include:

(i) the sale of tangible personal property if the sales price varies, or is negotiable, on the basis of the selection by the purchaser of the items of tangible personal property included in the transaction;

(ii) the sale of real property;

(iii) the sale of services to real property;

(iv) the retail sale of tangible personal property and a service if:

(A) the tangible personal property:

(I) is essential to the use of the service; and

(II) is provided exclusively in connection with the service; and

(B) the service is the true object of the transaction;

(v) the retail sale of two services if:

(A) one service is provided that is essential to the use or receipt of a second service;

(B) the first service is provided exclusively in connection with the second service; and

(C) the second service is the true object of the transaction;

(vi) a transaction that includes tangible personal property or a product subject to taxation under this chapter and tangible personal property or a product that is not subject to taxation under this chapter if the:

(A) seller's purchase price of the tangible personal property or product subject to taxation under this chapter is de minimis; or

(B) seller's sales price of the tangible personal property or product subject to taxation under this chapter is de minimis; and

(vii) the retail sale of tangible personal property that is not subject to taxation under this chapter and tangible personal property that is subject to taxation under this chapter if:

(A) that retail sale includes:

(I) food and food ingredients;

(II) a drug;

(III) durable medical equipment;

- 301 (IV) mobility enhancing equipment;
302 (V) an over-the-counter drug;
303 (VI) a prosthetic device; or
304 (VII) a medical supply; and
305 (B) subject to Subsection (19)(f):
306 (I) the seller's purchase price of the tangible personal property subject to
307 taxation under this chapter is 50% or less of the seller's total purchase price
308 of that retail sale; or
309 (II) the seller's sales price of the tangible personal property subject to taxation
310 under this chapter is 50% or less of the seller's total sales price of that retail
311 sale.
- 312 (c) (i) For purposes of Subsection (19)(a)(i), tangible personal property, a product, or
313 a service that is distinct and identifiable does not include:
314 (A) packaging that:
315 (I) accompanies the sale of the tangible personal property, product, or service;
316 and
317 (II) is incidental or immaterial to the sale of the tangible personal property,
318 product, or service;
319 (B) tangible personal property, a product, or a service provided free of charge with
320 the purchase of another item of tangible personal property, a product, or a
321 service; or
322 (C) an item of tangible personal property, a product, or a service included in the
323 definition of "purchase price."
- 324 (ii) For purposes of Subsection (19)(c)(i)(B), an item of tangible personal property, a
325 product, or a service is provided free of charge with the purchase of another item
326 of tangible personal property, a product, or a service if the sales price of the
327 purchased item of tangible personal property, product, or service does not vary
328 depending on the inclusion of the tangible personal property, product, or service
329 provided free of charge.
- 330 (d) (i) For purposes of Subsection (19)(a)(ii), property sold for one nonitemized price
331 does not include a price that is separately identified by tangible personal property,
332 product, or service on the following, regardless of whether the following is in
333 paper format or electronic format:
334 (A) a binding sales document; or

- 335 (B) another supporting sales-related document that is available to a purchaser.
- 336 (ii) For purposes of Subsection (19)(d)(i), a binding sales document or another
- 337 supporting sales-related document that is available to a purchaser includes:
- 338 (A) a bill of sale;
- 339 (B) a contract;
- 340 (C) an invoice;
- 341 (D) a lease agreement;
- 342 (E) a periodic notice of rates and services;
- 343 (F) a price list;
- 344 (G) a rate card;
- 345 (H) a receipt; or
- 346 (I) a service agreement.
- 347 (e) (i) For purposes of Subsection (19)(b)(vi), the sales price of tangible personal
- 348 property or a product subject to taxation under this chapter is de minimis if:
- 349 (A) the seller's purchase price of the tangible personal property or product is 10%
- 350 or less of the seller's total purchase price of the bundled transaction; or
- 351 (B) the seller's sales price of the tangible personal property or product is 10% or
- 352 less of the seller's total sales price of the bundled transaction.
- 353 (ii) For purposes of Subsection (19)(b)(vi), a seller:
- 354 (A) shall use the seller's purchase price or the seller's sales price to determine if
- 355 the purchase price or sales price of the tangible personal property or product
- 356 subject to taxation under this chapter is de minimis; and
- 357 (B) may not use a combination of the seller's purchase price and the seller's sales
- 358 price to determine if the purchase price or sales price of the tangible personal
- 359 property or product subject to taxation under this chapter is de minimis.
- 360 (iii) For purposes of Subsection (19)(b)(vi), a seller shall use the full term of a service
- 361 contract to determine if the sales price of tangible personal property or a product is
- 362 de minimis.
- 363 (f) For purposes of Subsection (19)(b)(vii)(B), a seller may not use a combination of the
- 364 seller's purchase price and the seller's sales price to determine if tangible personal
- 365 property subject to taxation under this chapter is 50% or less of the seller's total
- 366 purchase price or sales price of that retail sale.
- 367 (20) "Car sharing" means the same as that term is defined in Section 13-48a-101.
- 368 (21) "Car-sharing program" means the same as that term is defined in Section 13-48a-101.

- 369 (22) "Certified automated system" means software certified by the governing board of the
370 agreement that:
- 371 (a) calculates the agreement sales and use tax imposed within a local taxing jurisdiction:
372 (i) on a transaction; and
373 (ii) in the states that are members of the agreement;
- 374 (b) determines the amount of agreement sales and use tax to remit to a state that is a
375 member of the agreement; and
- 376 (c) maintains a record of the transaction described in Subsection (22)(a)(i).
- 377 (23) "Certified service provider" means an agent certified:
- 378 (a) by the governing board of the agreement; and
- 379 (b) to perform a seller's sales and use tax functions for an agreement sales and use tax, as
380 outlined in the contract between the governing board of the agreement and the
381 certified service provider, other than the seller's obligation under Section 59-12-124
382 to remit a tax on the seller's own purchases.
- 383 (24) (a) Subject to Subsection (24)(b), "clothing" means all human wearing apparel
384 suitable for general use.
- 385 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
386 commission shall make rules:
- 387 (i) listing the items that constitute "clothing"; and
388 (ii) that are consistent with the list of items that constitute "clothing" under the
389 agreement.
- 390 (25) "Coal-to-liquid" means the process of converting coal into a liquid synthetic fuel.
- 391 (26) "Commercial use" means the use of gas, electricity, heat, coal, fuel oil, or other fuels
392 that does not constitute industrial use under Subsection (60) or residential use under
393 Subsection (115).
- 394 (27) (a) "Common carrier" means a person engaged in or transacting the business of
395 transporting passengers, freight, merchandise, or other property for hire within this
396 state.
- 397 (b) (i) "Common carrier" does not include a person that, at the time the person is
398 traveling to or from that person's place of employment, transports a passenger to
399 or from the passenger's place of employment.
- 400 (ii) For purposes of Subsection (27)(b)(i), in accordance with Title 63G, Chapter 3,
401 Utah Administrative Rulemaking Act, the commission may make rules defining
402 what constitutes a person's place of employment.

(c) "Common carrier" does not include a person that provides transportation network services, as defined in Section 13-51-102.

(28) "Component part" includes:

- (a) poultry, dairy, and other livestock feed, and their components;
- (b) baling ties and twine used in the baling of hay and straw;
- (c) fuel used for providing temperature control of orchards and commercial greenhouses doing a majority of their business in wholesale sales, and for providing power for off-highway type farm machinery; and
- (d) feed, seeds, and seedlings.

(29) "Computer" means an electronic device that accepts information:

- (a) (i) in digital form; or
- (ii) in a form similar to digital form; and
- (b) manipulates that information for a result based on a sequence of instructions.

(30) "Computer software" means a set of coded instructions designed to cause:

- (a) a computer to perform a task; or
- (b) automatic data processing equipment to perform a task.

(31) "Computer software maintenance contract" means a contract that obligates a seller of computer software to provide a customer with:

- (a) future updates or upgrades to computer software;
- (b) support services with respect to computer software; or
- (c) a combination of Subsections (31)(a) and (b).

(32) (a) "Conference bridging service" means an ancillary service that links two or more participants of an audio conference call or video conference call.

(b) "Conference bridging service" may include providing a telephone number as part of the ancillary service described in Subsection (32)(a).

(c) "Conference bridging service" does not include a telecommunications service used to reach the ancillary service described in Subsection (32)(a).

(33) "Construction materials" means any tangible personal property that will be converted into real property.

(34) "Delivered electronically" means delivered to a purchaser by means other than tangible storage media.

(35) (a) "Delivery charge" means a charge:

- (i) by a seller of:
 - (A) tangible personal property;

- 437 (B) a product transferred electronically; or
438 (C) a service; and
439 (ii) for preparation and delivery of the tangible personal property, product transferred
440 electronically, or services described in Subsection (35)(a)(i) to a location
441 designated by the purchaser.
- 442 (b) "Delivery charge" includes a charge for the following:
443 (i) transportation;
444 (ii) shipping;
445 (iii) postage;
446 (iv) handling;
447 (v) crating; or
448 (vi) packing.
- 449 (36) "Detailed telecommunications billing service" means an ancillary service of separately
450 stating information pertaining to individual calls on a customer's billing statement.
- 451 (37) "Dietary supplement" means a product, other than tobacco, that:
452 (a) is intended to supplement the diet;
453 (b) contains one or more of the following dietary ingredients:
454 (i) a vitamin;
455 (ii) a mineral;
456 (iii) an herb or other botanical;
457 (iv) an amino acid;
458 (v) a dietary substance for use by humans to supplement the diet by increasing the
459 total dietary intake; or
460 (vi) a concentrate, metabolite, constituent, extract, or combination of any ingredient
461 described in Subsections (37)(b)(i) through (v);
462 (c) (i) except as provided in Subsection (37)(c)(ii), is intended for ingestion in:
463 (A) tablet form;
464 (B) capsule form;
465 (C) powder form;
466 (D) softgel form;
467 (E) gelcap form; or
468 (F) liquid form; or
469 (ii) if the product is not intended for ingestion in a form described in Subsections
470 (37)(c)(i)(A) through (F), is not represented:

- 471 (A) as conventional food; and
472 (B) for use as a sole item of:
473 (I) a meal; or
474 (II) the diet; and
475 (d) is required to be labeled as a dietary supplement:
476 (i) identifiable by the "Supplemental Facts" box found on the label; and
477 (ii) as required by 21 C.F.R. Sec. 101.36.
- 478 (38) (a) "Digital audio work" means a work that results from the fixation of a series of
479 musical, spoken, or other sounds.
480 (b) "Digital audio work" includes a ringtone.
- 481 (39) "Digital audio-visual work" means a series of related images which, when shown in
482 succession, imparts an impression of motion, together with accompanying sounds, if any.
- 483 (40) "Digital book" means a work that is generally recognized in the ordinary and usual
484 sense as a book.
- 485 (41) (a) "Direct mail" means printed material delivered or distributed by United States
486 mail or other delivery service:
487 (i) to:
488 (A) a mass audience; or
489 (B) addressees on a mailing list provided:
490 (I) by a purchaser of the mailing list; or
491 (II) at the discretion of the purchaser of the mailing list; and
492 (ii) if the cost of the printed material is not billed directly to the recipients.
- 493 (b) "Direct mail" includes tangible personal property supplied directly or indirectly by a
494 purchaser to a seller of direct mail for inclusion in a package containing the printed
495 material.
- 496 (c) "Direct mail" does not include multiple items of printed material delivered to a single
497 address.
- 498 (42) "Directory assistance" means an ancillary service of providing:
499 (a) address information; or
500 (b) telephone number information.
- 501 (43) (a) "Disposable home medical equipment or supplies" means medical equipment or
502 supplies that:
503 (i) cannot withstand repeated use; and
504 (ii) are purchased by, for, or on behalf of a person other than:

- 505 (A) a health care facility as defined in Section 26B-2-201;
506 (B) a health care provider as defined in Section 78B-3-403;
507 (C) an office of a health care provider described in Subsection (43)(a)(ii)(B); or
508 (D) a person similar to a person described in Subsections (43)(a)(ii)(A) through
509 (C).
- 510 (b) "Disposable home medical equipment or supplies" does not include:
511 (i) a drug;
512 (ii) durable medical equipment;
513 (iii) a hearing aid;
514 (iv) a hearing aid accessory;
515 (v) mobility enhancing equipment; or
516 (vi) tangible personal property used to correct impaired vision, including:
517 (A) eyeglasses; or
518 (B) contact lenses.
- 519 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
520 commission may by rule define what constitutes medical equipment or supplies.
- 521 (44) "Drilling equipment manufacturer" means a facility:
522 (a) located in the state;
523 (b) with respect to which 51% or more of the manufacturing activities of the facility
524 consist of manufacturing component parts of drilling equipment;
525 (c) that uses pressure of 800,000 or more pounds per square inch as part of the
526 manufacturing process; and
527 (d) that uses a temperature of 2,000 or more degrees Fahrenheit as part of the
528 manufacturing process.
- 529 (45) (a) "Drug" means a compound, substance, or preparation, or a component of a
530 compound, substance, or preparation that is:
531 (i) recognized in:
532 (A) the official United States Pharmacopoeia;
533 (B) the official Homeopathic Pharmacopoeia of the United States;
534 (C) the official National Formulary; or
535 (D) a supplement to a publication listed in Subsections (45)(a)(i)(A) through (C);
536 (ii) intended for use in the:
537 (A) diagnosis of disease;
538 (B) cure of disease;

- 539 (C) mitigation of disease;
540 (D) treatment of disease; or
541 (E) prevention of disease; or
542 (iii) intended to affect:
543 (A) the structure of the body; or
544 (B) any function of the body.
- 545 (b) "Drug" does not include:
546 (i) food and food ingredients;
547 (ii) a dietary supplement;
548 (iii) an alcoholic beverage; or
549 (iv) a prosthetic device.
- 550 (46) (a) [~~Except as provided in Subsection (46)(c), "durable"~~] "Durable medical
551 equipment" means equipment that:
552 (i) can withstand repeated use;
553 (ii) is primarily and customarily used to serve a medical purpose;
554 (iii) generally is not useful to a person in the absence of illness or injury; and
555 (iv) is not worn in or on the body.
- 556 (b) "Durable medical equipment" includes parts used in the repair or replacement of the
557 equipment described in Subsection (46)(a).
- 558 (c) "Durable medical equipment" does not include mobility enhancing equipment.
- 559 (47) "Electronic" means:
560 (a) relating to technology; and
561 (b) having:
562 (i) electrical capabilities;
563 (ii) digital capabilities;
564 (iii) magnetic capabilities;
565 (iv) wireless capabilities;
566 (v) optical capabilities;
567 (vi) electromagnetic capabilities; or
568 (vii) capabilities similar to Subsections (47)(b)(i) through (vi).
- 569 (48) "Electronic financial payment service" means an establishment:
570 (a) within NAICS Code 522320, Financial Transactions Processing, Reserve, and
571 Clearinghouse Activities, of the 2012 North American Industry Classification System
572 of the federal Executive Office of the President, Office of Management and Budget;

- 573 and
- 574 (b) that performs electronic financial payment services.
- 575 (49) "Employee" means the same as that term is defined in Section 59-10-401.
- 576 (50) "Fixed guideway" means a public transit facility that uses and occupies:
- 577 (a) rail for the use of public transit; or
- 578 (b) a separate right-of-way for the use of public transit.
- 579 (51) "Fixed wing turbine powered aircraft" means an aircraft that:
- 580 (a) is powered by turbine engines;
- 581 (b) operates on jet fuel; and
- 582 (c) has wings that are permanently attached to the fuselage of the aircraft.
- 583 (52) "Fixed wireless service" means a telecommunications service that provides radio
- 584 communication between fixed points.
- 585 (53) (a) "Food and food ingredients" means substances:
- 586 (i) regardless of whether the substances are in:
- 587 (A) liquid form;
- 588 (B) concentrated form;
- 589 (C) solid form;
- 590 (D) frozen form;
- 591 (E) dried form; or
- 592 (F) dehydrated form; and
- 593 (ii) that are:
- 594 (A) sold for:
- 595 (I) ingestion by humans; or
- 596 (II) chewing by humans; and
- 597 (B) consumed for the substance's:
- 598 (I) taste; or
- 599 (II) nutritional value.
- 600 (b) "Food and food ingredients" includes an item described in Subsection (99)(b)(iii).
- 601 (c) "Food and food ingredients" does not include:
- 602 (i) an alcoholic beverage;
- 603 (ii) tobacco; or
- 604 (iii) prepared food.
- 605 (54) (a) "Fundraising sales" means sales:
- 606 (i) (A) made by a school; or

- 607 (B) made by a school student;
- 608 (ii) that are for the purpose of raising funds for the school to purchase equipment,
- 609 materials, or provide transportation; and
- 610 (iii) that are part of an officially sanctioned school activity.
- 611 (b) For purposes of Subsection (54)(a)(iii), "officially sanctioned school activity" means
- 612 a school activity:
- 613 (i) that is conducted in accordance with a formal policy adopted by the school or
- 614 school district governing the authorization and supervision of fundraising
- 615 activities;
- 616 (ii) that does not directly or indirectly compensate an individual teacher or other
- 617 educational personnel by direct payment, commissions, or payment in kind; and
- 618 (iii) the net or gross [~~revenues~~] revenue from which [~~are~~] is deposited in a dedicated
- 619 account controlled by the school or school district.
- 620 (55) "Geothermal energy" means energy contained in heat that continuously flows outward
- 621 from the earth that is used as the sole source of energy to produce electricity.
- 622 (56) "Governing board of the agreement" means the governing board of the agreement that
- 623 is:
- 624 (a) authorized to administer the agreement; and
- 625 (b) established in accordance with the agreement.
- 626 (57) (a) For purposes of Subsection 59-12-104(41), "governmental entity" means:
- 627 (i) the executive branch of the state, including all departments, institutions, boards,
- 628 divisions, bureaus, offices, commissions, and committees;
- 629 (ii) the judicial branch of the state, including the courts, the Judicial Council, the
- 630 Administrative Office of the Courts, and similar administrative units in the
- 631 judicial branch;
- 632 (iii) the legislative branch of the state, including the House of Representatives, the
- 633 Senate, the Legislative Printing Office, the Office of Legislative Research and
- 634 General Counsel, the Office of the Legislative Auditor General, and the Office of
- 635 the Legislative Fiscal Analyst;
- 636 (iv) the National Guard;
- 637 (v) an independent entity as defined in Section 63E-1-102; or
- 638 (vi) a political subdivision as defined in Section 17B-1-102.
- 639 (b) "Governmental entity" does not include the state systems of public and higher
- 640 education, including:

- (i) a school;
- (ii) the State Board of Education;
- (iii) the Utah Board of Higher Education; or
- (iv) an institution of higher education described in Section 53B-1-102.

(58) "Hydroelectric energy" means water used as the sole source of energy to produce electricity.

(59) "Individual-owned shared vehicle" means the same as that term is defined in Section 13-48a-101.

(60) "Industrial use" means the use of natural gas, electricity, heat, coal, fuel oil, or other fuels:

- (a) in mining or extraction of minerals;
- (b) in agricultural operations to produce an agricultural product up to the time of harvest or placing the agricultural product into a storage facility, including:
 - (i) commercial greenhouses;
 - (ii) irrigation pumps;
 - (iii) farm machinery;
 - (iv) implements of husbandry as defined in Section 41-1a-102 that are not registered under Title 41, Chapter 1a, Part 2, Registration; and
 - (v) other farming activities;
- (c) in manufacturing tangible personal property at an establishment described in:
 - (i) SIC Codes 2000 to 3999 of the 1987 Standard Industrial Classification Manual of the federal Executive Office of the President, Office of Management and Budget; or
 - (ii) a NAICS code within NAICS Sector 31-33, Manufacturing, of the 2017 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget;
- (d) by a scrap recycler if:
 - (i) from a fixed location, the scrap recycler utilizes machinery or equipment to process one or more of the following items into prepared grades of processed materials for use in new products:
 - (A) iron;
 - (B) steel;
 - (C) nonferrous metal;
 - (D) paper;

- 675 (E) glass;
676 (F) plastic;
677 (G) textile; or
678 (H) rubber; and
679 (ii) the new products under Subsection (60)(d)(i) would otherwise be made with
680 nonrecycled materials; or
681 (e) in producing a form of energy or steam described in Subsection 54-2-1(3)(a) by a
682 cogeneration facility as defined in Section 54-2-1.
- 683 (61) (a) [~~Except as provided in Subsection (61)(b), "installation"~~] "Installation charge"
684 means a charge for installing:
685 (i) tangible personal property; or
686 (ii) a product transferred electronically.
687 (b) "Installation charge" does not include a charge for:
688 (i) repairs or renovations of:
689 (A) tangible personal property; or
690 (B) a product transferred electronically; or
691 (ii) attaching tangible personal property or a product transferred electronically:
692 (A) to other tangible personal property; and
693 (B) as part of a manufacturing or fabrication process.
- 694 (62) "Institution of higher education" means an institution of higher education listed in
695 Section 53B-2-101.
- 696 (63) (a) "Lease" or "rental" means a transfer of possession or control of tangible personal
697 property or a product transferred electronically for:
698 (i) (A) a fixed term; or
699 (B) an indeterminate term; and
700 (ii) consideration.
701 (b) "Lease" or "rental" includes:
702 (i) an agreement covering a motor vehicle and trailer if the amount of consideration
703 may be increased or decreased by reference to the amount realized upon sale or
704 disposition of the property as defined in Section 7701(h)(1), Internal Revenue
705 Code; and
706 (ii) car sharing.
707 (c) "Lease" or "rental" does not include:
708 (i) a transfer of possession or control of property under a security agreement or

- 709 deferred payment plan that requires the transfer of title upon completion of the
710 required payments;
- 711 (ii) a transfer of possession or control of property under an agreement that requires
712 the transfer of title:
- 713 (A) upon completion of required payments; and
714 (B) if the payment of an option price does not exceed the greater of:
- 715 (I) \$100; or
716 (II) 1% of the total required payments; or
- 717 (iii) providing tangible personal property along with an operator for a fixed period of
718 time or an indeterminate period of time if the operator is necessary for equipment
719 to perform as designed.
- 720 (d) For purposes of Subsection (63)(c)(iii), an operator is necessary for equipment to
721 perform as designed if the operator's duties exceed the:
- 722 (i) set-up of tangible personal property;
723 (ii) maintenance of tangible personal property; or
724 (iii) inspection of tangible personal property.
- 725 (64) "Lesson" means a fixed period of time for the duration of which a trained instructor:
- 726 (a) is present with a student in person or by video; and
727 (b) actively instructs the student, including by providing observation or feedback.
- 728 (65) "Life science establishment" means an establishment in this state that is classified
729 under the following NAICS codes of the 2007 North American Industry Classification
730 System of the federal Executive Office of the President, Office of Management and
731 Budget:
- 732 (a) NAICS Code 33911, Medical Equipment and Supplies Manufacturing;
733 (b) NAICS Code 334510, Electromedical and Electrotherapeutic Apparatus
734 Manufacturing; or
735 (c) NAICS Code 334517, Irradiation Apparatus Manufacturing.
- 736 (66) "Life science research and development facility" means a facility owned, leased, or
737 rented by a life science establishment if research and development is performed in 51%
738 or more of the total area of the facility.
- 739 (67) "Load and leave" means delivery to a purchaser by use of a tangible storage media if
740 the tangible storage media is not physically transferred to the purchaser.
- 741 (68) "Local taxing jurisdiction" means a:
- 742 (a) county that is authorized to impose an agreement sales and use tax;

(b) city that is authorized to impose an agreement sales and use tax; or

(c) town that is authorized to impose an agreement sales and use tax.

(69) "Manufactured home" means the same as that term is defined in Section 15A-1-302.

(70) "Manufacturing facility" means:

(a) an establishment described in:

(i) SIC Codes 2000 to 3999 of the 1987 Standard Industrial Classification Manual of the federal Executive Office of the President, Office of Management and Budget; or

(ii) a NAICS code within NAICS Sector 31-33, Manufacturing, of the 2017 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget;

(b) a scrap recycler if:

(i) from a fixed location, the scrap recycler utilizes machinery or equipment to process one or more of the following items into prepared grades of processed materials for use in new products:

(A) iron;

(B) steel;

(C) nonferrous metal;

(D) paper;

(E) glass;

(F) plastic;

(G) textile; or

(H) rubber; and

(ii) the new products under Subsection (70)(b)(i) would otherwise be made with nonrecycled materials; or

(c) a cogeneration facility as defined in Section 54-2-1 if the cogeneration facility is placed in service on or after May 1, 2006.

(71) (a) "Marketplace" means a physical or electronic place, platform, or forum where tangible personal property, a product transferred electronically, or a service is offered for sale.

(b) "Marketplace" includes a store, a booth, an Internet website, a catalog, or a dedicated sales software application.

(72) (a) "Marketplace facilitator" means a person, including an affiliate of the person, that enters into a contract, an agreement, or otherwise with sellers, for consideration,

777 to facilitate the sale of a seller's product through a marketplace that the person owns,
778 operates, or controls and that directly or indirectly:

779 (i) does any of the following:

- 780 (A) lists, makes available, or advertises tangible personal property, a product
781 transferred electronically, or a service for sale by a marketplace seller on a
782 marketplace that the person owns, operates, or controls;
- 783 (B) facilitates the sale of a marketplace seller's tangible personal property, product
784 transferred electronically, or service by transmitting or otherwise
785 communicating an offer or acceptance of a retail sale between the marketplace
786 seller and a purchaser using the marketplace;
- 787 (C) owns, rents, licenses, makes available, or operates any electronic or physical
788 infrastructure or any property, process, method, copyright, trademark, or patent
789 that connects a marketplace seller to a purchaser for the purpose of making a
790 retail sale of tangible personal property, a product transferred electronically, or
791 a service;
- 792 (D) provides a marketplace for making, or otherwise facilitates, a retail sale of
793 tangible personal property, a product transferred electronically, or a service,
794 regardless of ownership or control of the tangible personal property, the
795 product transferred electronically, or the service that is the subject of the retail
796 sale;
- 797 (E) provides software development or research and development activities related
798 to any activity described in this Subsection (72)(a)(i), if the software
799 development or research and development activity is directly related to the
800 person's marketplace;
- 801 (F) provides or offers fulfillment or storage services for a marketplace seller;
- 802 (G) sets prices for the sale of tangible personal property, a product transferred
803 electronically, or a service by a marketplace seller;
- 804 (H) provides or offers customer service to a marketplace seller or a marketplace
805 seller's purchaser or accepts or assists with taking orders, returns, or exchanges
806 of tangible personal property, a product transferred electronically, or a service
807 sold by a marketplace seller on the person's marketplace; or
- 808 (I) brands or otherwise identifies sales as those of the person; and

809 (ii) does any of the following:

- 810 (A) collects the sales price or purchase price of a retail sale of tangible personal

- 811 property, a product transferred electronically, or a service;
- 812 (B) provides payment processing services for a retail sale of tangible personal
- 813 property, a product transferred electronically, or a service;
- 814 (C) charges, collects, or otherwise receives a selling fee, listing fee, referral fee,
- 815 closing fee, a fee for inserting or making available tangible personal property, a
- 816 product transferred electronically, or a service on the person's marketplace, or
- 817 other consideration for the facilitation of a retail sale of tangible personal
- 818 property, a product transferred electronically, or a service, regardless of
- 819 ownership or control of the tangible personal property, the product transferred
- 820 electronically, or the service that is the subject of the retail sale;
- 821 (D) through terms and conditions, an agreement, or another arrangement with a
- 822 third person, collects payment from a purchase for a retail sale of tangible
- 823 personal property, a product transferred electronically, or a service and
- 824 transmits that payment to the marketplace seller, regardless of whether the
- 825 third person receives compensation or other consideration in exchange for the
- 826 service; or
- 827 (E) provides a virtual currency for a purchaser to use to purchase tangible personal
- 828 property, a product transferred electronically, or service offered for sale.
- 829 (b) "Marketplace facilitator" does not include:
- 830 (i) a person that only provides payment processing services; or
- 831 (ii) a person described in Subsection (72)(a) to the extent the person is facilitating a
- 832 sale for a seller that is a restaurant as defined in Section 59-12-602.
- 833 (73) "Marketplace seller" means a seller that makes one or more retail sales through a
- 834 marketplace that a marketplace facilitator owns, operates, or controls, regardless of
- 835 whether the seller is required to be registered to collect and remit the tax under this part.
- 836 (74) "Member of the immediate family of the producer" means a person who is related to a
- 837 producer described in Subsection 59-12-104(20)(a) as a:
- 838 (a) child or stepchild, regardless of whether the child or stepchild is:
- 839 (i) an adopted child or adopted stepchild; or
- 840 (ii) a foster child or foster stepchild;
- 841 (b) grandchild or stepgrandchild;
- 842 (c) grandparent or stepgrandparent;
- 843 (d) nephew or stepnephew;
- 844 (e) niece or stepniece;

- (f) parent or stepparent;
- (g) sibling or stepsibling;
- (h) spouse;
- (i) person who is the spouse of a person described in Subsections (74)(a) through (g); or
- (j) person similar to a person described in Subsections (74)(a) through (i) as determined by the commission by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(75) "Mobile home" means the same as that term is defined in Section 15A-1-302.

(76) "Mobile telecommunications service" means the same as that term is defined in the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 124.

(77) (a) "Mobile wireless service" means a telecommunications service, regardless of the technology used, if:

- (i) the origination point of the conveyance, routing, or transmission is not fixed;
- (ii) the termination point of the conveyance, routing, or transmission is not fixed; or
- (iii) the origination point described in Subsection (77)(a)(i) and the termination point described in Subsection (77)(a)(ii) are not fixed.

(b) "Mobile wireless service" includes a telecommunications service that is provided by a commercial mobile radio service provider.

(c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define "commercial mobile radio service provider."

(78) (a) ~~[Except as provided in Subsection (78)(c), "mobility"]~~ "Mobility enhancing equipment" means equipment that is:

- (i) primarily and customarily used to provide or increase the ability to move from one place to another;
- (ii) appropriate for use in a:
 - (A) home; or
 - (B) motor vehicle; and
- (iii) not generally used by persons with normal mobility.

(b) "Mobility enhancing equipment" includes parts used in the repair or replacement of the equipment described in Subsection (78)(a).

(c) "Mobility enhancing equipment" does not include:

- (i) a motor vehicle;
- (ii) equipment on a motor vehicle if that equipment is normally provided by the motor vehicle manufacturer;

- 879 (iii) durable medical equipment; or
880 (iv) a prosthetic device.
- 881 (79) "Model 1 seller" means a seller registered under the agreement that has selected a
882 certified service provider as the seller's agent to perform the seller's sales and use tax
883 functions for agreement sales and use taxes, as outlined in the contract between the
884 governing board of the agreement and the certified service provider, other than the
885 seller's obligation under Section 59-12-124 to remit a tax on the seller's own purchases.
- 886 (80) "Model 2 seller" means a seller registered under the agreement that:
887 (a) except as provided in Subsection (80)(b), has selected a certified automated system
888 to perform the seller's sales tax functions for agreement sales and use taxes; and
889 (b) retains responsibility for remitting all of the sales tax:
890 (i) collected by the seller; and
891 (ii) to the appropriate local taxing jurisdiction.
- 892 (81) (a) Subject to Subsection (81)(b), "model 3 seller" means a seller registered under
893 the agreement that has:
894 (i) sales in at least five states that are members of the agreement;
895 (ii) total annual sales [~~revenues~~] revenue of at least \$500,000,000;
896 (iii) a proprietary system that calculates the amount of tax:
897 (A) for an agreement sales and use tax; and
898 (B) due to each local taxing jurisdiction; and
899 (iv) entered into a performance agreement with the governing board of the agreement.
- 900 (b) For purposes of Subsection (81)(a), "model 3 seller" includes an affiliated group of
901 sellers using the same proprietary system.
- 902 (82) "Model 4 seller" means a seller that is registered under the agreement and is not a
903 model 1 seller, model 2 seller, or model 3 seller.
- 904 (83) "Modular home" means a modular unit as defined in Section 15A-1-302.
- 905 (84) "Motor vehicle" means the same as that term is defined in Section 41-1a-102.
- 906 (85) "Oil sands" means impregnated bituminous sands that:
907 (a) contain a heavy, thick form of petroleum that is released when heated, mixed with
908 other hydrocarbons, or otherwise treated;
909 (b) yield mixtures of liquid hydrocarbon; and
910 (c) require further processing other than mechanical blending before becoming finished
911 petroleum products.
- 912 (86) "Oil shale" means a group of fine black to dark brown shales containing kerogen

material that yields petroleum upon heating and distillation.

(87) "Optional computer software maintenance contract" means a computer software maintenance contract that a customer is not obligated to purchase as a condition to the retail sale of computer software.

(88) (a) "Other fuels" means products that burn independently to produce heat or energy.

(b) "Other fuels" includes oxygen when it is used in the manufacturing of tangible personal property.

(89) (a) "Paging service" means a telecommunications service that provides transmission of a coded radio signal for the purpose of activating a specific pager.

(b) For purposes of Subsection (89)(a), the transmission of a coded radio signal includes a transmission by message or sound.

(90) "Pawn transaction" means the same as that term is defined in Section 13-32a-102.

(91) "Pawnbroker" means the same as that term is defined in Section 13-32a-102.

(92) (a) "Permanently attached to real property" means that for tangible personal property attached to real property:

(i) the attachment of the tangible personal property to the real property:

(A) is essential to the use of the tangible personal property; and

(B) suggests that the tangible personal property will remain attached to the real property in the same place over the useful life of the tangible personal property; or

(ii) if the tangible personal property is detached from the real property, the detachment would:

(A) cause substantial damage to the tangible personal property; or

(B) require substantial alteration or repair of the real property to which the tangible personal property is attached.

(b) "Permanently attached to real property" includes:

(i) the attachment of an accessory to the tangible personal property if the accessory is:

(A) essential to the operation of the tangible personal property; and

(B) attached only to facilitate the operation of the tangible personal property;

(ii) a temporary detachment of tangible personal property from real property for a repair or renovation if the repair or renovation is performed where the tangible personal property and real property are located; or

(iii) property attached to oil, gas, or water pipelines, except for the property listed in Subsection (92)(c)(iii) or (iv).

(c) "Permanently attached to real property" does not include:

(i) the attachment of portable or movable tangible personal property to real property if that portable or movable tangible personal property is attached to real property only for:

(A) convenience;

(B) stability; or

(C) for an obvious temporary purpose;

(ii) the detachment of tangible personal property from real property except for the detachment described in Subsection (92)(b)(ii);

(iii) an attachment of the following tangible personal property to real property if the attachment to real property is only through a line that supplies water, electricity, gas, telecommunications, cable, or supplies a similar item as determined by the commission by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act:

(A) a computer;

(B) a telephone;

(C) a television; or

(D) tangible personal property similar to Subsections (92)(c)(iii)(A) through (C) as determined by the commission by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; or

(iv) an item listed in Subsection ~~[(136)(e)]~~ (137)(c).

(93) "Person" includes any individual, firm, partnership, joint venture, association, corporation, estate, trust, business trust, receiver, syndicate, this state, any county, city, municipality, district, or other local governmental entity of the state, or any group or combination acting as a unit.

(94) "Place of primary use":

(a) for telecommunications service other than mobile telecommunications service, means the street address representative of where the customer's use of the telecommunications service primarily occurs, which shall be:

(i) the residential street address of the customer; or

(ii) the primary business street address of the customer; or

(b) for mobile telecommunications service, means the same as that term is defined in the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 124.

(95) (a) "Postpaid calling service" means a telecommunications service a person obtains

981 by making a payment on a call-by-call basis:

982 (i) through the use of a:

983 (A) bank card;

984 (B) credit card;

985 (C) debit card; or

986 (D) travel card; or

987 (ii) by a charge made to a telephone number that is not associated with the origination
988 or termination of the telecommunications service.

989 (b) "Postpaid calling service" includes a service, except for a prepaid wireless calling
990 service, that would be a prepaid wireless calling service if the service were
991 exclusively a telecommunications service.

992 (96) "Postproduction" means an activity related to the finishing or duplication of a medium
993 described in Subsection 59-12-104(54)(a).

994 (97) "Prepaid calling service" means a telecommunications service:

995 (a) that allows a purchaser access to telecommunications service that is exclusively
996 telecommunications service;

997 (b) that:

998 (i) is paid for in advance; and

999 (ii) enables the origination of a call using an:

1000 (A) access number; or

1001 (B) authorization code;

1002 (c) that is dialed:

1003 (i) manually; or

1004 (ii) electronically; and

1005 (d) sold in predetermined units or dollars that decline:

1006 (i) by a known amount; and

1007 (ii) with use.

1008 (98) "Prepaid wireless calling service" means a telecommunications service:

1009 (a) that provides the right to utilize:

1010 (i) mobile wireless service; and

1011 (ii) other service that is not a telecommunications service, including:

1012 (A) the download of a product transferred electronically;

1013 (B) a content service; or

1014 (C) an ancillary service;

- 1015 (b) that:
- 1016 (i) is paid for in advance; and
- 1017 (ii) enables the origination of a call using an:
- 1018 (A) access number; or
- 1019 (B) authorization code;
- 1020 (c) that is dialed:
- 1021 (i) manually; or
- 1022 (ii) electronically; and
- 1023 (d) sold in predetermined units or dollars that decline:
- 1024 (i) by a known amount; and
- 1025 (ii) with use.
- 1026 (99) (a) "Prepared food" means:
- 1027 (i) food:
- 1028 (A) sold in a heated state; or
- 1029 (B) heated by a seller;
- 1030 (ii) two or more food ingredients mixed or combined by the seller for sale as a single
- 1031 item; or
- 1032 (iii) except as provided in Subsection (99)(c), food sold with an eating utensil
- 1033 provided by the seller, including a:
- 1034 (A) plate;
- 1035 (B) knife;
- 1036 (C) fork;
- 1037 (D) spoon;
- 1038 (E) glass;
- 1039 (F) cup;
- 1040 (G) napkin; or
- 1041 (H) straw.
- 1042 (b) "Prepared food" does not include:
- 1043 (i) food that a seller only:
- 1044 (A) cuts;
- 1045 (B) repackages; or
- 1046 (C) pasteurizes;
- 1047 (ii) (A) the following:
- 1048 (I) raw egg;

- 1049 (II) raw fish;
1050 (III) raw meat;
1051 (IV) raw poultry; or
1052 (V) a food containing an item described in Subsections (99)(b)(ii)(A)(I)
1053 through (IV); and
1054 (B) if the Food and Drug Administration recommends in Chapter 3, Part 401.11 of
1055 the Food and Drug Administration's Food Code that a consumer cook the items
1056 described in Subsection (99)(b)(ii)(A) to prevent food borne illness; or
1057 (iii) the following if sold without eating utensils provided by the seller:
1058 (A) food and food ingredients sold by a seller if the seller's proper primary
1059 classification under the 2002 North American Industry Classification System
1060 of the federal Executive Office of the President, Office of Management and
1061 Budget, is manufacturing in Sector 311, Food Manufacturing, except for
1062 Subsector 3118, Bakeries and Tortilla Manufacturing;
1063 (B) food and food ingredients sold in an unheated state:
1064 (I) by weight or volume; and
1065 (II) as a single item; or
1066 (C) a bakery item, including:
1067 (I) a bagel;
1068 (II) a bar;
1069 (III) a biscuit;
1070 (IV) bread;
1071 (V) a bun;
1072 (VI) a cake;
1073 (VII) a cookie;
1074 (VIII) a croissant;
1075 (IX) a danish;
1076 (X) a donut;
1077 (XI) a muffin;
1078 (XII) a pastry;
1079 (XIII) a pie;
1080 (XIV) a roll;
1081 (XV) a tart;
1082 (XVI) a torte; or

- 1083 (XVII) a tortilla.
- 1084 (c) An eating utensil provided by the seller does not include the following used to
- 1085 transport the food:
- 1086 (i) a container; or
- 1087 (ii) packaging.
- 1088 (100) "Prescription" means an order, formula, or recipe that is issued:
- 1089 (a) (i) orally;
- 1090 (ii) in writing;
- 1091 (iii) electronically; or
- 1092 (iv) by any other manner of transmission; and
- 1093 (b) by a licensed practitioner authorized by the laws of a state.
- 1094 (101) (a) [~~Except as provided in Subsection (101)(b)(ii) or (iii), "prewritten"~~] "Prewritten
- 1095 computer software" means computer software that is not designed and developed:
- 1096 (i) by the author or other creator of the computer software; and
- 1097 (ii) to the specifications of a specific purchaser.
- 1098 (b) "Prewritten computer software" includes:
- 1099 (i) a prewritten upgrade to computer software if the prewritten upgrade to the
- 1100 computer software is not designed and developed:
- 1101 (A) by the author or other creator of the computer software; and
- 1102 (B) to the specifications of a specific purchaser;
- 1103 (ii) computer software designed and developed by the author or other creator of the
- 1104 computer software to the specifications of a specific purchaser if the computer
- 1105 software is sold to a person other than the purchaser; or
- 1106 (iii) except as provided in Subsection (101)(c), prewritten computer software or a
- 1107 prewritten portion of prewritten computer software:
- 1108 (A) that is modified or enhanced to any degree; and
- 1109 (B) if the modification or enhancement described in Subsection (101)(b)(iii)(A) is
- 1110 designed and developed to the specifications of a specific purchaser.
- 1111 (c) "Prewritten computer software" does not include a modification or enhancement
- 1112 described in Subsection (101)(b)(iii) if the charges for the modification or
- 1113 enhancement are:
- 1114 (i) reasonable; and
- 1115 (ii) subject to Subsections 59-12-103(2)(f)(ii) and (2)(g)(i), separately stated on the
- 1116 invoice or other statement of price provided to the purchaser at the time of sale or

- 1117 later, as demonstrated by:
- 1118 (A) the books and records the seller keeps at the time of the transaction in the
- 1119 regular course of business, including books and records the seller keeps at the
- 1120 time of the transaction in the regular course of business for nontax purposes;
- 1121 (B) a preponderance of the facts and circumstances at the time of the transaction;
- 1122 and
- 1123 (C) the understanding of all of the parties to the transaction.
- 1124 (102) (a) "Private communications service" means a telecommunications service:
- 1125 (i) that entitles a customer to exclusive or priority use of one or more
- 1126 communications channels between or among termination points; and
- 1127 (ii) regardless of the manner in which the one or more communications channels are
- 1128 connected.
- 1129 (b) "Private communications service" includes the following provided in connection
- 1130 with the use of one or more communications channels:
- 1131 (i) an extension line;
- 1132 (ii) a station;
- 1133 (iii) switching capacity; or
- 1134 (iv) another associated service that is provided in connection with the use of one or
- 1135 more communications channels as defined in Section 59-12-215.
- 1136 (103) (a) ~~[Except as provided in Subsection (103)(b), "product"]~~ "Product transferred
- 1137 electronically" means a product transferred electronically that would be subject to a
- 1138 tax under this chapter if that product was transferred in a manner other than
- 1139 electronically.
- 1140 (b) "Product transferred electronically" does not include:
- 1141 (i) an ancillary service;
- 1142 (ii) computer software; or
- 1143 (iii) a telecommunications service.
- 1144 (104) (a) "Prosthetic device" means a device that is worn on or in the body to:
- 1145 (i) artificially replace a missing portion of the body;
- 1146 (ii) prevent or correct a physical deformity or physical malfunction; or
- 1147 (iii) support a weak or deformed portion of the body.
- 1148 (b) "Prosthetic device" includes:
- 1149 (i) parts used in the repairs or renovation of a prosthetic device;
- 1150 (ii) replacement parts for a prosthetic device;

- 1151 (iii) a dental prosthesis; or
1152 (iv) a hearing aid.
- 1153 (c) "Prosthetic device" does not include:
1154 (i) corrective eyeglasses; or
1155 (ii) contact lenses.
- 1156 (105) (a) "Protective equipment" means an item:
1157 (i) for human wear; and
1158 (ii) that is:
1159 (A) designed as protection:
1160 (I) to the wearer against injury or disease; or
1161 (II) against damage or injury of other persons or property; and
1162 (B) not suitable for general use.
- 1163 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1164 commission shall make rules:
1165 (i) listing the items that constitute "protective equipment"; and
1166 (ii) that are consistent with the list of items that constitute "protective equipment"
1167 under the agreement.
- 1168 (106) (a) For purposes of Subsection 59-12-104(41), "publication" means any written or
1169 printed matter, other than a photocopy:
1170 (i) regardless of:
1171 (A) characteristics;
1172 (B) copyright;
1173 (C) form;
1174 (D) format;
1175 (E) method of reproduction; or
1176 (F) source; and
1177 (ii) made available in printed or electronic format.
- 1178 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1179 commission may by rule define the term "photocopy."
- 1180 (107) (a) "Purchase price" and "sales price" mean the total amount of consideration:
1181 (i) valued in money; and
1182 (ii) for which tangible personal property, a product transferred electronically, or
1183 services are:
1184 (A) sold;

- 1185 (B) leased; or
1186 (C) rented.
- 1187 (b) "Purchase price" and "sales price" include:
- 1188 (i) the seller's cost of the tangible personal property, a product transferred
1189 electronically, or services sold;
- 1190 (ii) expenses of the seller, including:
- 1191 (A) the cost of materials used;
1192 (B) a labor cost;
1193 (C) a service cost;
1194 (D) interest;
1195 (E) a loss;
1196 (F) the cost of transportation to the seller; or
1197 (G) a tax imposed on the seller;
- 1198 (iii) a charge by the seller for any service necessary to complete the sale; or
1199 (iv) consideration a seller receives from a person other than the purchaser if:
- 1200 (A) (I) the seller actually receives consideration from a person other than the
1201 purchaser; and
1202 (II) the consideration described in Subsection (107)(b)(iv)(A)(I) is directly
1203 related to a price reduction or discount on the sale;
- 1204 (B) the seller has an obligation to pass the price reduction or discount through to
1205 the purchaser;
- 1206 (C) the amount of the consideration attributable to the sale is fixed and
1207 determinable by the seller at the time of the sale to the purchaser; and
- 1208 (D) (I) (Aa) the purchaser presents a certificate, coupon, or other
1209 documentation to the seller to claim a price reduction or discount; and
1210 (Bb) a person other than the seller authorizes, distributes, or grants the
1211 certificate, coupon, or other documentation with the understanding that
1212 the person other than the seller will reimburse any seller to whom the
1213 certificate, coupon, or other documentation is presented;
- 1214 (II) the purchaser identifies that purchaser to the seller as a member of a group
1215 or organization allowed a price reduction or discount, except that a
1216 preferred customer card that is available to any patron of a seller does not
1217 constitute membership in a group or organization allowed a price reduction
1218 or discount; or

- 1219 (III) the price reduction or discount is identified as a third party price reduction
1220 or discount on the:
1221 (Aa) invoice the purchaser receives; or
1222 (Bb) certificate, coupon, or other documentation the purchaser presents.
- 1223 (c) "Purchase price" and "sales price" do not include:
1224 (i) a discount:
1225 (A) in a form including:
1226 (I) cash;
1227 (II) term; or
1228 (III) coupon;
1229 (B) that is allowed by a seller;
1230 (C) taken by a purchaser on a sale; and
1231 (D) that is not reimbursed by a third party; or
1232 (ii) subject to Subsections 59-12-103(2)(f)(ii) and (2)(g)(i), the following if
1233 separately stated on an invoice, bill of sale, or similar document provided to the
1234 purchaser at the time of sale or later, as demonstrated by the books and records the
1235 seller keeps at the time of the transaction in the regular course of business,
1236 including books and records the seller keeps at the time of the transaction in the
1237 regular course of business for nontax purposes, by a preponderance of the facts
1238 and circumstances at the time of the transaction, and by the understanding of all of
1239 the parties to the transaction:
1240 (A) the following from credit extended on the sale of tangible personal property or
1241 services:
1242 (I) a carrying charge;
1243 (II) a financing charge; or
1244 (III) an interest charge;
1245 (B) a delivery charge;
1246 (C) an installation charge;
1247 (D) a manufacturer rebate on a motor vehicle; or
1248 (E) a tax or fee legally imposed directly on the consumer.
- 1249 (108) "Purchaser" means a person to whom:
1250 (a) a sale of tangible personal property is made;
1251 (b) a product is transferred electronically; or
1252 (c) a service is furnished.

- 1253 (109) "Qualifying data center" means a data center facility that:
- 1254 (a) houses a group of networked server computers in one physical location in order to
- 1255 disseminate, manage, and store data and information;
- 1256 (b) is located in the state;
- 1257 (c) is a new operation constructed on or after July 1, 2016;
- 1258 (d) consists of one or more buildings that total 150,000 or more square feet;
- 1259 (e) is owned or leased by:
- 1260 (i) the operator of the data center facility; or
- 1261 (ii) a person under common ownership, as defined in Section 59-7-101, of the
- 1262 operator of the data center facility; and
- 1263 (f) is located on one or more parcels of land that are owned or leased by:
- 1264 (i) the operator of the data center facility; or
- 1265 (ii) a person under common ownership, as defined in Section 59-7-101, of the
- 1266 operator of the data center facility.
- 1267 (110) "Regularly rented" means:
- 1268 (a) rented to a guest for value three or more times during a calendar year; or
- 1269 (b) advertised or held out to the public as a place that is regularly rented to guests for
- 1270 value.
- 1271 (111) "Rental" means the same as that term is defined in Subsection (63).
- 1272 (112) (a) ~~[Except as provided in Subsection (112)(b), "repairs"]~~ "Repairs or renovations of
- 1273 tangible personal property" means:
- 1274 (i) a repair or renovation of tangible personal property that is not permanently
- 1275 attached to real property; or
- 1276 (ii) attaching tangible personal property or a product transferred electronically to
- 1277 other tangible personal property or detaching tangible personal property or a
- 1278 product transferred electronically from other tangible personal property if:
- 1279 (A) the other tangible personal property to which the tangible personal property or
- 1280 product transferred electronically is attached or from which the tangible
- 1281 personal property or product transferred electronically is detached is not
- 1282 permanently attached to real property; and
- 1283 (B) the attachment of tangible personal property or a product transferred
- 1284 electronically to other tangible personal property or detachment of tangible
- 1285 personal property or a product transferred electronically from other tangible
- 1286 personal property is made in conjunction with a repair or replacement of

- 1287 tangible personal property or a product transferred electronically.
- 1288 (b) "Repairs or renovations of tangible personal property" does not include:
- 1289 (i) attaching prewritten computer software to other tangible personal property if the
- 1290 other tangible personal property to which the prewritten computer software is
- 1291 attached is not permanently attached to real property; or
- 1292 (ii) detaching prewritten computer software from other tangible personal property if
- 1293 the other tangible personal property from which the prewritten computer software
- 1294 is detached is not permanently attached to real property.
- 1295 (113) "Research and development" means the process of inquiry or experimentation aimed
- 1296 at the discovery of facts, devices, technologies, or applications and the process of
- 1297 preparing those devices, technologies, or applications for marketing.
- 1298 (114) (a) "Residential telecommunications services" means a telecommunications
- 1299 service or an ancillary service that is provided to an individual for personal use:
- 1300 (i) at a residential address; or
- 1301 (ii) at an institution, including a nursing home or a school, if the telecommunications
- 1302 service or ancillary service is provided to and paid for by the individual residing at
- 1303 the institution rather than the institution.
- 1304 (b) For purposes of Subsection (114)(a)(i), a residential address includes an:
- 1305 (i) apartment; or
- 1306 (ii) other individual dwelling unit.
- 1307 (115) "Residential use" means the use in or around a home, apartment building, sleeping
- 1308 quarters, and similar facilities or accommodations.
- 1309 (116) "Retail sale" or "sale at retail" means a sale, lease, or rental for a purpose other than:
- 1310 (a) resale;
- 1311 (b) sublease; or
- 1312 (c) subrent.
- 1313 (117) (a) "Retailer" means any person, unless prohibited by the Constitution of the
- 1314 United States or federal law, that is engaged in a regularly organized business in
- 1315 tangible personal property or any other taxable transaction under Subsection
- 1316 59-12-103(1), and who is selling to the user or consumer and not for resale.
- 1317 (b) "Retailer" includes commission merchants, auctioneers, and any person regularly
- 1318 engaged in the business of selling to users or consumers within the state.
- 1319 (118) (a) "Sale" means any transfer of title, exchange, or barter, conditional or
- 1320 otherwise, in any manner, of tangible personal property or any other taxable

- 1321 transaction under Subsection 59-12-103(1), for consideration.
- 1322 (b) "Sale" includes:
- 1323 (i) installment and credit sales;
- 1324 (ii) any closed transaction constituting a sale;
- 1325 (iii) any sale of electrical energy, gas, services, or entertainment taxable under this
- 1326 chapter;
- 1327 (iv) any transaction if the possession of property is transferred but the seller retains
- 1328 the title as security for the payment of the price; and
- 1329 (v) any transaction under which right to possession, operation, or use of any article of
- 1330 tangible personal property is granted under a lease or contract and the transfer of
- 1331 possession would be taxable if an outright sale were made.
- 1332 (119) "Sale at retail" means the same as that term is defined in Subsection (116).
- 1333 (120) "Sale-leaseback transaction" means a transaction by which title to tangible personal
- 1334 property or a product transferred electronically that is subject to a tax under this chapter
- 1335 is transferred:
- 1336 (a) by a purchaser-lessee;
- 1337 (b) to a lessor;
- 1338 (c) for consideration; and
- 1339 (d) if:
- 1340 (i) the purchaser-lessee paid sales and use tax on the purchaser-lessee's initial
- 1341 purchase of the tangible personal property or product transferred electronically;
- 1342 (ii) the sale of the tangible personal property or product transferred electronically to
- 1343 the lessor is intended as a form of financing:
- 1344 (A) for the tangible personal property or product transferred electronically; and
- 1345 (B) to the purchaser-lessee; and
- 1346 (iii) in accordance with generally accepted accounting principles, the
- 1347 purchaser-lessee is required to:
- 1348 (A) capitalize the tangible personal property or product transferred electronically
- 1349 for financial reporting purposes; and
- 1350 (B) account for the lease payments as payments made under a financing
- 1351 arrangement.
- 1352 (121) "Sales price" means the same as that term is defined in Subsection (107).
- 1353 (122) (a) "Sales relating to schools" means the following sales by, amounts paid to, or
- 1354 amounts charged by a school:

- 1355 (i) sales that are directly related to the school's educational functions or activities
1356 including:
1357 (A) the sale of:
1358 (I) textbooks;
1359 (II) textbook fees;
1360 (III) laboratory fees;
1361 (IV) laboratory supplies; or
1362 (V) safety equipment;
1363 (B) the sale of a uniform, protective equipment, or sports or recreational
1364 equipment that:
1365 (I) a student is specifically required to wear as a condition of participation in a
1366 school-related event or school-related activity; and
1367 (II) is not readily adaptable to general or continued usage to the extent that it
1368 takes the place of ordinary clothing;
1369 (C) sales of the following if the net or gross [~~revenues~~] revenue generated by the
1370 sales [~~are~~] is deposited into a school district fund or school fund dedicated to
1371 school meals:
1372 (I) food and food ingredients; or
1373 (II) prepared food; or
1374 (D) transportation charges for official school activities; or
1375 (ii) amounts paid to or amounts charged by a school for admission to a school-related
1376 event or school-related activity.
1377 (b) "Sales relating to schools" does not include:
1378 (i) bookstore sales of items that are not educational materials or supplies;
1379 (ii) except as provided in Subsection (122)(a)(i)(B):
1380 (A) clothing;
1381 (B) clothing accessories or equipment;
1382 (C) protective equipment; or
1383 (D) sports or recreational equipment; or
1384 (iii) amounts paid to or amounts charged by a school for admission to a
1385 school-related event or school-related activity if the amounts paid or charged are
1386 passed through to a person:
1387 (A) other than a:
1388 (I) school;

- 1389 (II) nonprofit organization authorized by a school board or a governing body of
1390 a private school to organize and direct a competitive secondary school
1391 activity; or
- 1392 (III) nonprofit association authorized by a school board or a governing body of
1393 a private school to organize and direct a competitive secondary school
1394 activity; and
- 1395 (B) that is required to collect sales and use taxes under this chapter.
- 1396 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1397 commission may make rules defining the term "passed through."
- 1398 (123) For purposes of this section and Section 59-12-104, "school" means:
- 1399 (a) an elementary school or a secondary school that:
- 1400 (i) is a:
- 1401 (A) public school; or
- 1402 (B) private school; and
- 1403 (ii) provides instruction for one or more grades kindergarten through 12; or
- 1404 (b) a public school district.
- 1405 (124) (a) "Seller" means a person that makes a sale, lease, or rental of:
- 1406 (i) tangible personal property;
- 1407 (ii) a product transferred electronically; or
- 1408 (iii) a service.
- 1409 (b) "Seller" includes a marketplace facilitator.
- 1410 (125) (a) "Semiconductor fabricating, processing, research, or development materials"
- 1411 means tangible personal property or a product transferred electronically if the
- 1412 tangible personal property or product transferred electronically is:
- 1413 (i) used primarily in the process of:
- 1414 (A) (I) manufacturing a semiconductor;
- 1415 (II) fabricating a semiconductor; or
- 1416 (III) research or development of a:
- 1417 (Aa) semiconductor; or
- 1418 (Bb) semiconductor manufacturing process; or
- 1419 (B) maintaining an environment suitable for a semiconductor; or
- 1420 (ii) consumed primarily in the process of:
- 1421 (A) (I) manufacturing a semiconductor;
- 1422 (II) fabricating a semiconductor; or

- 1423 (III) research or development of a:
- 1424 (Aa) semiconductor; or
- 1425 (Bb) semiconductor manufacturing process; or
- 1426 (B) maintaining an environment suitable for a semiconductor.
- 1427 (b) "Semiconductor fabricating, processing, research, or development materials"
- 1428 includes:
- 1429 (i) parts used in the repairs or renovations of tangible personal property or a product
- 1430 transferred electronically described in Subsection (125)(a); or
- 1431 (ii) a chemical, catalyst, or other material used to:
- 1432 (A) produce or induce in a semiconductor a:
- 1433 (I) chemical change; or
- 1434 (II) physical change;
- 1435 (B) remove impurities from a semiconductor; or
- 1436 (C) improve the marketable condition of a semiconductor.
- 1437 (126) "Senior citizen center" means a facility having the primary purpose of providing
- 1438 services to the aged as defined in Section 26B-6-101.
- 1439 (127) "Shared vehicle" means the same as that term is defined in Section 13-48a-101.
- 1440 (128) "Shared vehicle driver" means the same as that term is defined in Section 13-48a-101.
- 1441 (129) "Shared vehicle owner" means the same as that term is defined in Section 13-48a-101.
- 1442 (130) (a) Subject to Subsections (130)(b) and (c), "short-term lodging consumable"
- 1443 means tangible personal property that:
- 1444 (i) a business that provides accommodations and services described in Subsection
- 1445 59-12-103(1)(i) purchases as part of a transaction to provide the accommodations
- 1446 and services to a purchaser;
- 1447 (ii) is intended to be consumed by the purchaser; and
- 1448 (iii) is:
- 1449 (A) included in the purchase price of the accommodations and services; and
- 1450 (B) not separately stated on an invoice, bill of sale, or other similar document
- 1451 provided to the purchaser.
- 1452 (b) "Short-term lodging consumable" includes:
- 1453 (i) a beverage;
- 1454 (ii) a brush or comb;
- 1455 (iii) a cosmetic;
- 1456 (iv) a hair care product;

- 1457 (v) lotion;
1458 (vi) a magazine;
1459 (vii) makeup;
1460 (viii) a meal;
1461 (ix) mouthwash;
1462 (x) nail polish remover;
1463 (xi) a newspaper;
1464 (xii) a notepad;
1465 (xiii) a pen;
1466 (xiv) a pencil;
1467 (xv) a razor;
1468 (xvi) saline solution;
1469 (xvii) a sewing kit;
1470 (xviii) shaving cream;
1471 (xix) a shoe shine kit;
1472 (xx) a shower cap;
1473 (xxi) a snack item;
1474 (xxii) soap;
1475 (xxiii) toilet paper;
1476 (xxiv) a toothbrush;
1477 (xxv) toothpaste; or
1478 (xxvi) an item similar to Subsections (130)(b)(i) through (xxv) as the commission
1479 may provide by rule made in accordance with Title 63G, Chapter 3, Utah
1480 Administrative Rulemaking Act.
- 1481 (c) "Short-term lodging consumable" does not include:
1482 (i) tangible personal property that is cleaned or washed to allow the tangible personal
1483 property to be reused; or
1484 (ii) a product transferred electronically.
- 1485 ~~(131)~~ (a) "Short-term rental" means a lease or rental for less than 30 consecutive days.
1486 (b) "Short-term rental" does not include car sharing.
- 1487 ~~[(131)]~~ (132) "Simplified electronic return" means the electronic return:
1488 (a) described in Section 318(C) of the agreement; and
1489 (b) approved by the governing board of the agreement.
- 1490 ~~[(132)]~~ (133) "Solar energy" means the sun used as the sole source of energy for producing

- 1491 electricity.
- 1492 ~~[(133)]~~ (134) (a) "Sports or recreational equipment" means an item:
- 1493 (i) designed for human use; and
- 1494 (ii) that is:
- 1495 (A) worn in conjunction with:
- 1496 (I) an athletic activity; or
- 1497 (II) a recreational activity; and
- 1498 (B) not suitable for general use.
- 1499 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 1500 commission shall make rules:
- 1501 (i) listing the items that constitute "sports or recreational equipment"; and
- 1502 (ii) that are consistent with the list of items that constitute "sports or recreational
- 1503 equipment" under the agreement.
- 1504 ~~[(134)]~~ (135) "State" means the state of Utah, its departments, and agencies.
- 1505 ~~[(135)]~~ (136) "Storage" means any keeping or retention of tangible personal property or any
- 1506 other taxable transaction under Subsection 59-12-103(1), in this state for any purpose
- 1507 except sale in the regular course of business.
- 1508 ~~[(136)]~~ (137) (a) ~~[Except as provided in Subsection (136)(d) or (e), "tangible"]~~ "Tangible
- 1509 personal property" means personal property that:
- 1510 (i) may be:
- 1511 (A) seen;
- 1512 (B) weighed;
- 1513 (C) measured;
- 1514 (D) felt; or
- 1515 (E) touched; or
- 1516 (ii) is in any manner perceptible to the senses.
- 1517 (b) "Tangible personal property" includes:
- 1518 (i) electricity;
- 1519 (ii) water;
- 1520 (iii) gas;
- 1521 (iv) steam; or
- 1522 (v) prewritten computer software, regardless of the manner in which the prewritten
- 1523 computer software is transferred.
- 1524 (c) "Tangible personal property" includes the following regardless of whether the item is

- 1525 attached to real property:
- 1526 (i) a dishwasher;
- 1527 (ii) a dryer;
- 1528 (iii) a freezer;
- 1529 (iv) a microwave;
- 1530 (v) a refrigerator;
- 1531 (vi) a stove;
- 1532 (vii) a washer; or
- 1533 (viii) an item similar to Subsections ~~[(136)(e)(i)]~~ (137)(c)(i) through (vii) as
- 1534 determined by the commission by rule made in accordance with Title 63G,
- 1535 Chapter 3, Utah Administrative Rulemaking Act.
- 1536 (d) "Tangible personal property" does not include a product that is transferred
- 1537 electronically.
- 1538 (e) "Tangible personal property" does not include the following if attached to real
- 1539 property, regardless of whether the attachment to real property is only through a line
- 1540 that supplies water, electricity, gas, telephone, cable, or supplies a similar item as
- 1541 determined by the commission by rule made in accordance with Title 63G, Chapter 3,
- 1542 Utah Administrative Rulemaking Act:
- 1543 (i) a hot water heater;
- 1544 (ii) a water filtration system; or
- 1545 (iii) a water softener system.
- 1546 ~~[(137)]~~ (138) (a) "Telecommunications enabling or facilitating equipment, machinery, or
- 1547 software" means an item listed in Subsection ~~[(137)(b)]~~ (138)(b) if that item is
- 1548 purchased or leased primarily to enable or facilitate one or more of the following to
- 1549 function:
- 1550 (i) telecommunications switching or routing equipment, machinery, or software; or
- 1551 (ii) telecommunications transmission equipment, machinery, or software.
- 1552 (b) The following apply to Subsection ~~[(137)(a)]~~ (138)(a):
- 1553 (i) a pole;
- 1554 (ii) software;
- 1555 (iii) a supplementary power supply;
- 1556 (iv) temperature or environmental equipment or machinery;
- 1557 (v) test equipment;
- 1558 (vi) a tower; or

1559 (vii) equipment, machinery, or software that functions similarly to an item listed in
1560 Subsections ~~[(137)(b)(i)]~~ (138)(b)(i) through (vi) as determined by the commission
1561 by rule made in accordance with Subsection ~~[(137)(c)]~~ (138)(c).

1562 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1563 commission may by rule define what constitutes equipment, machinery, or software
1564 that functions similarly to an item listed in Subsections ~~[(137)(b)(i)]~~ (138)(b)(i)
1565 through (vi).

1566 ~~[(138)]~~ (139) "Telecommunications equipment, machinery, or software required for 911
1567 service" means equipment, machinery, or software that is required to comply with 47
1568 C.F.R. Sec. 20.18.

1569 ~~[(139)]~~ (140) "Telecommunications maintenance or repair equipment, machinery, or
1570 software" means equipment, machinery, or software purchased or leased primarily to
1571 maintain or repair one or more of the following, regardless of whether the equipment,
1572 machinery, or software is purchased or leased as a spare part or as an upgrade or
1573 modification to one or more of the following:

- 1574 (a) telecommunications enabling or facilitating equipment, machinery, or software;
1575 (b) telecommunications switching or routing equipment, machinery, or software; or
1576 (c) telecommunications transmission equipment, machinery, or software.

1577 ~~[(140)]~~ (141) (a) "Telecommunications service" means the electronic conveyance,
1578 routing, or transmission of audio, data, video, voice, or any other information or
1579 signal to a point, or among or between points.

1580 (b) "Telecommunications service" includes:

- 1581 (i) an electronic conveyance, routing, or transmission with respect to which a
1582 computer processing application is used to act:
1583 (A) on the code, form, or protocol of the content;
1584 (B) for the purpose of electronic conveyance, routing, or transmission; and
1585 (C) regardless of whether the service:
1586 (I) is referred to as voice over Internet protocol service; or
1587 (II) is classified by the Federal Communications Commission as enhanced or
1588 value added;
1589 (ii) an 800 service;
1590 (iii) a 900 service;
1591 (iv) a fixed wireless service;
1592 (v) a mobile wireless service;

- 1593 (vi) a postpaid calling service;
1594 (vii) a prepaid calling service;
1595 (viii) a prepaid wireless calling service; or
1596 (ix) a private communications service.
- 1597 (c) "Telecommunications service" does not include:
- 1598 (i) advertising, including directory advertising;
1599 (ii) an ancillary service;
1600 (iii) a billing and collection service provided to a third party;
1601 (iv) a data processing and information service if:
- 1602 (A) the data processing and information service allows data to be:
- 1603 (I) (Aa) acquired;
1604 (Bb) generated;
1605 (Cc) processed;
1606 (Dd) retrieved; or
1607 (Ee) stored; and
- 1608 (II) delivered by an electronic transmission to a purchaser; and
- 1609 (B) the purchaser's primary purpose for the underlying transaction is the processed
1610 data or information;
- 1611 (v) installation or maintenance of the following on a customer's premises:
- 1612 (A) equipment; or
1613 (B) wiring;
- 1614 (vi) Internet access service;
1615 (vii) a paging service;
1616 (viii) a product transferred electronically, including:
- 1617 (A) music;
1618 (B) reading material;
1619 (C) a ring tone;
1620 (D) software; or
1621 (E) video;
- 1622 (ix) a radio and television audio and video programming service:
- 1623 (A) regardless of the medium; and
1624 (B) including:
- 1625 (I) furnishing conveyance, routing, or transmission of a television audio and
1626 video programming service by a programming service provider;

- 1627 (II) cable service as defined in 47 U.S.C. Sec. 522(6); or
1628 (III) audio and video programming services delivered by a commercial mobile
1629 radio service provider as defined in 47 C.F.R. Sec. 20.3;
- 1630 (x) a value-added nonvoice data service; or
1631 (xi) tangible personal property.
- 1632 ~~[(141)]~~ (142) (a) "Telecommunications service provider" means a person that:
1633 (i) owns, controls, operates, or manages a telecommunications service; and
1634 (ii) engages in an activity described in Subsection ~~[(141)(a)(i)]~~ (142)(a)(i) for the
1635 shared use with or resale to any person of the telecommunications service.
- 1636 (b) A person described in Subsection ~~[(141)(a)]~~ (142)(a) is a telecommunications service
1637 provider whether or not the Public Service Commission of Utah regulates:
1638 (i) that person; or
1639 (ii) the telecommunications service that the person owns, controls, operates, or
1640 manages.
- 1641 ~~[(142)]~~ (143) (a) "Telecommunications switching or routing equipment, machinery, or
1642 software" means an item listed in Subsection ~~[(142)(b)]~~ (143)(b) if that item is
1643 purchased or leased primarily for switching or routing:
1644 (i) an ancillary service;
1645 (ii) data communications;
1646 (iii) voice communications; or
1647 (iv) telecommunications service.
- 1648 (b) The following apply to Subsection ~~[(142)(a)]~~ (143)(a):
1649 (i) a bridge;
1650 (ii) a computer;
1651 (iii) a cross connect;
1652 (iv) a modem;
1653 (v) a multiplexer;
1654 (vi) plug in circuitry;
1655 (vii) a router;
1656 (viii) software;
1657 (ix) a switch; or
1658 (x) equipment, machinery, or software that functions similarly to an item listed in
1659 Subsections ~~[(142)(b)(i)]~~ (143)(b)(i) through (ix) as determined by the commission
1660 by rule made in accordance with Subsection ~~[(142)(e)]~~ (143)(c).

1661 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1662 commission may by rule define what constitutes equipment, machinery, or software
1663 that functions similarly to an item listed in Subsections ~~[(142)(b)(i)]~~ (143)(b)(i)
1664 through (ix).

1665 ~~[(143)]~~ (144) (a) "Telecommunications transmission equipment, machinery, or software"
1666 means an item listed in Subsection ~~[(143)(b)]~~ (144)(b) if that item is purchased or
1667 leased primarily for sending, receiving, or transporting:

- 1668 (i) an ancillary service;
- 1669 (ii) data communications;
- 1670 (iii) voice communications; or
- 1671 (iv) telecommunications service.

1672 (b) The following apply to Subsection ~~[(143)(a)]~~ (144)(a):

- 1673 (i) an amplifier;
- 1674 (ii) a cable;
- 1675 (iii) a closure;
- 1676 (iv) a conduit;
- 1677 (v) a controller;
- 1678 (vi) a duplexer;
- 1679 (vii) a filter;
- 1680 (viii) an input device;
- 1681 (ix) an input/output device;
- 1682 (x) an insulator;
- 1683 (xi) microwave machinery or equipment;
- 1684 (xii) an oscillator;
- 1685 (xiii) an output device;
- 1686 (xiv) a pedestal;
- 1687 (xv) a power converter;
- 1688 (xvi) a power supply;
- 1689 (xvii) a radio channel;
- 1690 (xviii) a radio receiver;
- 1691 (xix) a radio transmitter;
- 1692 (xx) a repeater;
- 1693 (xxi) software;
- 1694 (xxii) a terminal;

- 1695 (xxiii) a timing unit;
1696 (xxiv) a transformer;
1697 (xxv) a wire; or
1698 (xxvi) equipment, machinery, or software that functions similarly to an item listed in
1699 Subsections ~~[(143)(b)(i)]~~ (144)(b)(i) through (xxv) as determined by the
1700 commission by rule made in accordance with Subsection ~~[(143)(e)]~~ (144)(c).
1701 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1702 commission may by rule define what constitutes equipment, machinery, or software
1703 that functions similarly to an item listed in Subsections ~~[(143)(b)(i)]~~ (144)(b)(i)
1704 through (xxv).
- 1705 ~~[(144)]~~ (145) (a) "Textbook for a higher education course" means a textbook or other
1706 printed material that is required for a course:
1707 (i) offered by an institution of higher education; and
1708 (ii) that the purchaser of the textbook or other printed material attends or will attend.
1709 (b) "Textbook for a higher education course" includes a textbook in electronic format.
- 1710 ~~[(145)]~~ (146) "Tobacco" means:
1711 (a) a cigarette;
1712 (b) a cigar;
1713 (c) chewing tobacco;
1714 (d) pipe tobacco; or
1715 (e) any other item that contains tobacco.
- 1716 ~~[(146)]~~ (147) "Unassisted amusement device" means an amusement device, skill device, or
1717 ride device that is started and stopped by the purchaser or renter of the right to use or
1718 operate the amusement device, skill device, or ride device.
- 1719 ~~[(147)]~~ (148) (a) "Use" means the exercise of any right or power over tangible personal
1720 property, a product transferred electronically, or a service under Subsection 59-12-103
1721 (1), incident to the ownership or the leasing of that tangible personal property,
1722 product transferred electronically, or service.
1723 (b) "Use" does not include the sale, display, demonstration, or trial of tangible personal
1724 property, a product transferred electronically, or a service in the regular course of
1725 business and held for resale.
- 1726 ~~[(148)]~~ (149) "Value-added nonvoice data service" means a service:
1727 (a) that otherwise meets the definition of a telecommunications service except that a
1728 computer processing application is used to act primarily for a purpose other than

- 1729 conveyance, routing, or transmission; and
- 1730 (b) with respect to which a computer processing application is used to act on data or
- 1731 information:
- 1732 (i) code;
- 1733 (ii) content;
- 1734 (iii) form; or
- 1735 (iv) protocol.
- 1736 ~~[(149)]~~ (150) (a) Subject to Subsection ~~[(149)(b)]~~ (150)(b), "vehicle" means the following
- 1737 that are required to be titled, registered, or titled and registered:
- 1738 (i) an aircraft as defined in Section 72-10-102;
- 1739 (ii) a vehicle as defined in Section 41-1a-102;
- 1740 (iii) an off-highway vehicle as defined in Section 41-22-2; or
- 1741 (iv) a vessel as defined in Section 41-1a-102.
- 1742 (b) For purposes of Subsection 59-12-104(33) only, "vehicle" includes:
- 1743 (i) a vehicle described in Subsection ~~[(149)(a)]~~ (150)(a); or
- 1744 (ii) (A) a locomotive;
- 1745 (B) a freight car;
- 1746 (C) railroad work equipment; or
- 1747 (D) other railroad rolling stock.
- 1748 ~~[(150)]~~ (151) "Vehicle dealer" means a person engaged in the business of buying, selling, or
- 1749 exchanging a vehicle as defined in Subsection ~~[(149)]~~ (150).
- 1750 ~~[(151)]~~ (152) (a) "Vertical service" means an ancillary service that:
- 1751 (i) is offered in connection with one or more telecommunications services; and
- 1752 (ii) offers an advanced calling feature that allows a customer to:
- 1753 (A) identify a caller; and
- 1754 (B) manage multiple calls and call connections.
- 1755 (b) "Vertical service" includes an ancillary service that allows a customer to manage a
- 1756 conference bridging service.
- 1757 ~~[(152)]~~ (153) (a) "Voice mail service" means an ancillary service that enables a customer
- 1758 to receive, send, or store a recorded message.
- 1759 (b) "Voice mail service" does not include a vertical service that a customer is required to
- 1760 have in order to utilize a voice mail service.
- 1761 ~~[(153)]~~ (154) (a) ~~[Except as provided in Subsection (153)(b), "waste"]~~ "Waste energy
- 1762 facility" means a facility that generates electricity:

- 1763 (i) using as the primary source of energy waste materials that would be placed in a
1764 landfill or refuse pit if it were not used to generate electricity, including:
1765 (A) tires;
1766 (B) waste coal;
1767 (C) oil shale; or
1768 (D) municipal solid waste; and
1769 (ii) in amounts greater than actually required for the operation of the facility.
- 1770 (b) "Waste energy facility" does not include a facility that incinerates:
1771 (i) hospital waste as defined in 40 C.F.R. 60.51c; or
1772 (ii) medical/infectious waste as defined in 40 C.F.R. 60.51c.
- 1773 ~~[(154)]~~ (155) "Watercraft" means a vessel as defined in Section 73-18-2.
1774 ~~[(155)]~~ (156) "Wind energy" means wind used as the sole source of energy to produce
1775 electricity.
- 1776 ~~[(156)]~~ (157) "ZIP Code" means a Zoning Improvement Plan Code assigned to a geographic
1777 location by the United States Postal Service.
- 1778 Section 3. Section **59-12-102** is amended to read:
1779 **59-12-102 (Contingently Effective 01/01/25). Definitions.**
1780 As used in this chapter:
- 1781 (1) "800 service" means a telecommunications service that:
1782 (a) allows a caller to dial a toll-free number without incurring a charge for the call; and
1783 (b) is typically marketed:
1784 (i) under the name 800 toll-free calling;
1785 (ii) under the name 855 toll-free calling;
1786 (iii) under the name 866 toll-free calling;
1787 (iv) under the name 877 toll-free calling;
1788 (v) under the name 888 toll-free calling; or
1789 (vi) under a name similar to Subsections (1)(b)(i) through (v) as designated by the
1790 Federal Communications Commission.
- 1791 (2) (a) "900 service" means an inbound toll telecommunications service that:
1792 (i) a subscriber purchases;
1793 (ii) allows a customer of the subscriber described in Subsection (2)(a)(i) to call in to
1794 the subscriber's:
1795 (A) prerecorded announcement; or
1796 (B) live service; and

- 1797 (iii) is typically marketed:
1798 (A) under the name 900 service; or
1799 (B) under a name similar to Subsection (2)(a)(iii)(A) as designated by the Federal
1800 Communications Commission.
- 1801 (b) "900 service" does not include a charge for:
1802 (i) a collection service a seller of a telecommunications service provides to a
1803 subscriber; or
1804 (ii) the following a subscriber sells to the subscriber's customer:
1805 (A) a product; or
1806 (B) a service.
- 1807 (3) (a) "Admission or user fees" includes season passes.
1808 (b) "Admission or user fees" does not include:
1809 (i) annual membership dues to private organizations; or
1810 (ii) a lesson, including a lesson that involves as part of the lesson equipment or a
1811 facility listed in Subsection 59-12-103(1)(f).
- 1812 (4) "Affiliate" or "affiliated person" means a person that, with respect to another person:
1813 (a) has an ownership interest of more than 5%, whether direct or indirect, in that other
1814 person; or
1815 (b) is related to the other person because a third person, or a group of third persons who
1816 are affiliated persons with respect to each other, holds an ownership interest of more
1817 than 5%, whether direct or indirect, in the related persons.
- 1818 (5) "Agreement" means the Streamlined Sales and Use Tax Agreement adopted on
1819 November 12, 2002, including amendments made to the Streamlined Sales and Use Tax
1820 Agreement after November 12, 2002.
- 1821 (6) "Agreement combined tax rate" means the sum of the tax rates:
1822 (a) listed under Subsection (7); and
1823 (b) that are imposed within a local taxing jurisdiction.
- 1824 (7) "Agreement sales and use tax" means a tax imposed under:
1825 (a) Subsection 59-12-103(2)(a)(i)(A);
1826 (b) Subsection 59-12-103(2)(b)(i);
1827 (c) Subsection 59-12-103(2)(d);
1828 (d) Subsection 59-12-103(2)(e)(i)(A)(I);
1829 (e) Section 59-12-204;
1830 (f) Section 59-12-401;

- 1831 (g) Section 59-12-402;
1832 (h) Section 59-12-402.1;
1833 (i) Section 59-12-703;
1834 (j) Section 59-12-802;
1835 (k) Section 59-12-804;
1836 (l) Section 59-12-1102;
1837 (m) Section 59-12-1302;
1838 (n) Section 59-12-1402;
1839 (o) Section 59-12-1802;
1840 (p) Section 59-12-2003;
1841 (q) Section 59-12-2103;
1842 (r) Section 59-12-2213;
1843 (s) Section 59-12-2214;
1844 (t) Section 59-12-2215;
1845 (u) Section 59-12-2216;
1846 (v) Section 59-12-2217;
1847 (w) Section 59-12-2218;
1848 (x) Section 59-12-2219; or
1849 (y) Section 59-12-2220.
- 1850 (8) "Aircraft" means the same as that term is defined in Section 72-10-102.
- 1851 (9) "Aircraft maintenance, repair, and overhaul provider" means a business entity:
- 1852 (a) except for:
- 1853 (i) an airline as defined in Section 59-2-102; or
- 1854 (ii) an affiliated group, as defined in Section 59-7-101, except that "affiliated group"
- 1855 includes a corporation that is qualified to do business but is not otherwise doing
- 1856 business in the state, of an airline; and
- 1857 (b) that has the workers, expertise, and facilities to perform the following, regardless of
- 1858 whether the business entity performs the following in this state:
- 1859 (i) check, diagnose, overhaul, and repair:
- 1860 (A) an onboard system of a fixed wing turbine powered aircraft; and
- 1861 (B) the parts that comprise an onboard system of a fixed wing turbine powered
- 1862 aircraft;
- 1863 (ii) assemble, change, dismantle, inspect, and test a fixed wing turbine powered
- 1864 aircraft engine;

- 1865 (iii) perform at least the following maintenance on a fixed wing turbine powered
1866 aircraft:
1867 (A) an inspection;
1868 (B) a repair, including a structural repair or modification;
1869 (C) changing landing gear; and
1870 (D) addressing issues related to an aging fixed wing turbine powered aircraft;
1871 (iv) completely remove the existing paint of a fixed wing turbine powered aircraft
1872 and completely apply new paint to the fixed wing turbine powered aircraft; and
1873 (v) refurbish the interior of a fixed wing turbine powered aircraft in a manner that
1874 results in a change in the fixed wing turbine powered aircraft's certification
1875 requirements by the authority that certifies the fixed wing turbine powered aircraft.
- 1876 (10) "Alcoholic beverage" means a beverage that:
1877 (a) is suitable for human consumption; and
1878 (b) contains .5% or more alcohol by volume.
- 1879 (11) "Alternative energy" means:
1880 (a) biomass energy;
1881 (b) geothermal energy;
1882 (c) hydroelectric energy;
1883 (d) solar energy;
1884 (e) wind energy; or
1885 (f) energy that is derived from:
1886 (i) coal-to-liquids;
1887 (ii) nuclear fuel;
1888 (iii) oil-impregnated diatomaceous earth;
1889 (iv) oil sands;
1890 (v) oil shale;
1891 (vi) petroleum coke; or
1892 (vii) waste heat from:
1893 (A) an industrial facility; or
1894 (B) a power station in which an electric generator is driven through a process in
1895 which water is heated, turns into steam, and spins a steam turbine.
- 1896 (12) (a) Subject to Subsection (12)(b), "alternative energy electricity production facility"
1897 means a facility that:
1898 (i) uses alternative energy to produce electricity; and

- 1899 (ii) has a production capacity of two megawatts or greater.
- 1900 (b) A facility is an alternative energy electricity production facility regardless of whether
- 1901 the facility is:
- 1902 (i) connected to an electric grid; or
- 1903 (ii) located on the premises of an electricity consumer.
- 1904 (13) (a) "Ancillary service" means a service associated with, or incidental to, the
- 1905 provision of telecommunications service.
- 1906 (b) "Ancillary service" includes:
- 1907 (i) a conference bridging service;
- 1908 (ii) a detailed communications billing service;
- 1909 (iii) directory assistance;
- 1910 (iv) a vertical service; or
- 1911 (v) a voice mail service.
- 1912 (14) "Area agency on aging" means the same as that term is defined in Section 26B-6-101.
- 1913 (15) "Assisted amusement device" means an amusement device, skill device, or ride device
- 1914 that is started and stopped by an individual:
- 1915 (a) who is not the purchaser or renter of the right to use or operate the amusement
- 1916 device, skill device, or ride device; and
- 1917 (b) at the direction of the seller of the right to use the amusement device, skill device, or
- 1918 ride device.
- 1919 (16) "Assisted cleaning or washing of tangible personal property" means cleaning or
- 1920 washing of tangible personal property if the cleaning or washing labor is primarily
- 1921 performed by an individual:
- 1922 (a) who is not the purchaser of the cleaning or washing of the tangible personal property;
- 1923 and
- 1924 (b) at the direction of the seller of the cleaning or washing of the tangible personal
- 1925 property.
- 1926 (17) "Authorized carrier" means:
- 1927 (a) in the case of vehicles operated over public highways, the holder of credentials
- 1928 indicating that the vehicle is or will be operated pursuant to both the International
- 1929 Registration Plan and the International Fuel Tax Agreement;
- 1930 (b) in the case of aircraft, the holder of a Federal Aviation Administration operating
- 1931 certificate or air carrier's operating certificate; or
- 1932 (c) in the case of locomotives, freight cars, railroad work equipment, or other rolling

1933 stock, a person who uses locomotives, freight cars, railroad work equipment, or other
1934 rolling stock in more than one state.

1935 (18) (a) [~~Except as provided in Subsection (18)(b), "biomass"~~] "Biomass energy" means
1936 any of the following that is used as the primary source of energy to produce fuel or
1937 electricity:

1938 (i) material from a plant or tree; or

1939 (ii) other organic matter that is available on a renewable basis, including:

1940 (A) slash and brush from forests and woodlands;

1941 (B) animal waste;

1942 (C) waste vegetable oil;

1943 (D) methane or synthetic gas produced at a landfill, as a byproduct of the
1944 treatment of wastewater residuals, or through the conversion of a waste
1945 material through a nonincineration, thermal conversion process;

1946 (E) aquatic plants; and

1947 (F) agricultural products.

1948 (b) "Biomass energy" does not include:

1949 (i) black liquor; or

1950 (ii) treated woods.

1951 (19) (a) "Bundled transaction" means the sale of two or more items of tangible personal
1952 property, products, or services if the tangible personal property, products, or services
1953 are:

1954 (i) distinct and identifiable; and

1955 (ii) sold for one nonitemized price.

1956 (b) "Bundled transaction" does not include:

1957 (i) the sale of tangible personal property if the sales price varies, or is negotiable, on
1958 the basis of the selection by the purchaser of the items of tangible personal
1959 property included in the transaction;

1960 (ii) the sale of real property;

1961 (iii) the sale of services to real property;

1962 (iv) the retail sale of tangible personal property and a service if:

1963 (A) the tangible personal property:

1964 (I) is essential to the use of the service; and

1965 (II) is provided exclusively in connection with the service; and

1966 (B) the service is the true object of the transaction;

- 1967 (v) the retail sale of two services if:
- 1968 (A) one service is provided that is essential to the use or receipt of a second
- 1969 service;
- 1970 (B) the first service is provided exclusively in connection with the second service;
- 1971 and
- 1972 (C) the second service is the true object of the transaction;
- 1973 (vi) a transaction that includes tangible personal property or a product subject to
- 1974 taxation under this chapter and tangible personal property or a product that is not
- 1975 subject to taxation under this chapter if the:
- 1976 (A) seller's purchase price of the tangible personal property or product subject to
- 1977 taxation under this chapter is de minimis; or
- 1978 (B) seller's sales price of the tangible personal property or product subject to
- 1979 taxation under this chapter is de minimis; and
- 1980 (vii) the retail sale of tangible personal property that is not subject to taxation under
- 1981 this chapter and tangible personal property that is subject to taxation under this
- 1982 chapter if:
- 1983 (A) that retail sale includes:
- 1984 (I) food and food ingredients;
- 1985 (II) a drug;
- 1986 (III) durable medical equipment;
- 1987 (IV) mobility enhancing equipment;
- 1988 (V) an over-the-counter drug;
- 1989 (VI) a prosthetic device; or
- 1990 (VII) a medical supply; and
- 1991 (B) subject to Subsection (19)(f):
- 1992 (I) the seller's purchase price of the tangible personal property subject to
- 1993 taxation under this chapter is 50% or less of the seller's total purchase price
- 1994 of that retail sale; or
- 1995 (II) the seller's sales price of the tangible personal property subject to taxation
- 1996 under this chapter is 50% or less of the seller's total sales price of that retail
- 1997 sale.
- 1998 (c) (i) For purposes of Subsection (19)(a)(i), tangible personal property, a product, or
- 1999 a service that is distinct and identifiable does not include:
- 2000 (A) packaging that:

- 2001 (I) accompanies the sale of the tangible personal property, product, or service;
2002 and
2003 (II) is incidental or immaterial to the sale of the tangible personal property,
2004 product, or service;
- 2005 (B) tangible personal property, a product, or a service provided free of charge with
2006 the purchase of another item of tangible personal property, a product, or a
2007 service; or
- 2008 (C) an item of tangible personal property, a product, or a service included in the
2009 definition of "purchase price."
- 2010 (ii) For purposes of Subsection (19)(c)(i)(B), an item of tangible personal property, a
2011 product, or a service is provided free of charge with the purchase of another item
2012 of tangible personal property, a product, or a service if the sales price of the
2013 purchased item of tangible personal property, product, or service does not vary
2014 depending on the inclusion of the tangible personal property, product, or service
2015 provided free of charge.
- 2016 (d) (i) For purposes of Subsection (19)(a)(ii), property sold for one nonitemized price
2017 does not include a price that is separately identified by tangible personal property,
2018 product, or service on the following, regardless of whether the following is in
2019 paper format or electronic format:
- 2020 (A) a binding sales document; or
2021 (B) another supporting sales-related document that is available to a purchaser.
- 2022 (ii) For purposes of Subsection (19)(d)(i), a binding sales document or another
2023 supporting sales-related document that is available to a purchaser includes:
- 2024 (A) a bill of sale;
2025 (B) a contract;
2026 (C) an invoice;
2027 (D) a lease agreement;
2028 (E) a periodic notice of rates and services;
2029 (F) a price list;
2030 (G) a rate card;
2031 (H) a receipt; or
2032 (I) a service agreement.
- 2033 (e) (i) For purposes of Subsection (19)(b)(vi), the sales price of tangible personal
2034 property or a product subject to taxation under this chapter is de minimis if:

- 2035 (A) the seller's purchase price of the tangible personal property or product is 10%
2036 or less of the seller's total purchase price of the bundled transaction; or
2037 (B) the seller's sales price of the tangible personal property or product is 10% or
2038 less of the seller's total sales price of the bundled transaction.
- 2039 (ii) For purposes of Subsection (19)(b)(vi), a seller:
2040 (A) shall use the seller's purchase price or the seller's sales price to determine if
2041 the purchase price or sales price of the tangible personal property or product
2042 subject to taxation under this chapter is de minimis; and
2043 (B) may not use a combination of the seller's purchase price and the seller's sales
2044 price to determine if the purchase price or sales price of the tangible personal
2045 property or product subject to taxation under this chapter is de minimis.
- 2046 (iii) For purposes of Subsection (19)(b)(vi), a seller shall use the full term of a service
2047 contract to determine if the sales price of tangible personal property or a product is
2048 de minimis.
- 2049 (f) For purposes of Subsection (19)(b)(vii)(B), a seller may not use a combination of the
2050 seller's purchase price and the seller's sales price to determine if tangible personal
2051 property subject to taxation under this chapter is 50% or less of the seller's total
2052 purchase price or sales price of that retail sale.
- 2053 (20) "Car sharing" means the same as that term is defined in Section 13-48a-101.
- 2054 (21) "Car-sharing program" means the same as that term is defined in Section 13-48a-101.
- 2055 (22) "Certified automated system" means software certified by the governing board of the
2056 agreement that:
2057 (a) calculates the agreement sales and use tax imposed within a local taxing jurisdiction:
2058 (i) on a transaction; and
2059 (ii) in the states that are members of the agreement;
2060 (b) determines the amount of agreement sales and use tax to remit to a state that is a
2061 member of the agreement; and
2062 (c) maintains a record of the transaction described in Subsection (22)(a)(i).
- 2063 (23) "Certified service provider" means an agent certified:
2064 (a) by the governing board of the agreement; and
2065 (b) to perform a seller's sales and use tax functions for an agreement sales and use tax, as
2066 outlined in the contract between the governing board of the agreement and the
2067 certified service provider, other than the seller's obligation under Section 59-12-124
2068 to remit a tax on the seller's own purchases.

- 2069 (24) (a) Subject to Subsection (24)(b), "clothing" means all human wearing apparel
2070 suitable for general use.
- 2071 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2072 commission shall make rules:
- 2073 (i) listing the items that constitute "clothing"; and
2074 (ii) that are consistent with the list of items that constitute "clothing" under the
2075 agreement.
- 2076 (25) "Coal-to-liquid" means the process of converting coal into a liquid synthetic fuel.
- 2077 (26) "Commercial use" means the use of gas, electricity, heat, coal, fuel oil, or other fuels
2078 that does not constitute industrial use under Subsection (60) or residential use under
2079 Subsection (115).
- 2080 (27) (a) "Common carrier" means a person engaged in or transacting the business of
2081 transporting passengers, freight, merchandise, or other property for hire within this
2082 state.
- 2083 (b) (i) "Common carrier" does not include a person that, at the time the person is
2084 traveling to or from that person's place of employment, transports a passenger to
2085 or from the passenger's place of employment.
- 2086 (ii) For purposes of Subsection (27)(b)(i), in accordance with Title 63G, Chapter 3,
2087 Utah Administrative Rulemaking Act, the commission may make rules defining
2088 what constitutes a person's place of employment.
- 2089 (c) "Common carrier" does not include a person that provides transportation network
2090 services, as defined in Section 13-51-102.
- 2091 (28) "Component part" includes:
- 2092 (a) poultry, dairy, and other livestock feed, and their components;
2093 (b) baling ties and twine used in the baling of hay and straw;
2094 (c) fuel used for providing temperature control of orchards and commercial greenhouses
2095 doing a majority of their business in wholesale sales, and for providing power for
2096 off-highway type farm machinery; and
2097 (d) feed, seeds, and seedlings.
- 2098 (29) "Computer" means an electronic device that accepts information:
- 2099 (a) (i) in digital form; or
2100 (ii) in a form similar to digital form; and
2101 (b) manipulates that information for a result based on a sequence of instructions.
- 2102 (30) "Computer software" means a set of coded instructions designed to cause:

- 2103 (a) a computer to perform a task; or
2104 (b) automatic data processing equipment to perform a task.
- 2105 (31) "Computer software maintenance contract" means a contract that obligates a seller of
2106 computer software to provide a customer with:
2107 (a) future updates or upgrades to computer software;
2108 (b) support services with respect to computer software; or
2109 (c) a combination of Subsections (31)(a) and (b).
- 2110 (32) (a) "Conference bridging service" means an ancillary service that links two or more
2111 participants of an audio conference call or video conference call.
2112 (b) "Conference bridging service" may include providing a telephone number as part of
2113 the ancillary service described in Subsection (32)(a).
2114 (c) "Conference bridging service" does not include a telecommunications service used to
2115 reach the ancillary service described in Subsection (32)(a).
- 2116 (33) "Construction materials" means any tangible personal property that will be converted
2117 into real property.
- 2118 (34) "Delivered electronically" means delivered to a purchaser by means other than tangible
2119 storage media.
- 2120 (35) (a) "Delivery charge" means a charge:
2121 (i) by a seller of:
2122 (A) tangible personal property;
2123 (B) a product transferred electronically; or
2124 (C) a service; and
2125 (ii) for preparation and delivery of the tangible personal property, product transferred
2126 electronically, or services described in Subsection (35)(a)(i) to a location
2127 designated by the purchaser.
- 2128 (b) "Delivery charge" includes a charge for the following:
2129 (i) transportation;
2130 (ii) shipping;
2131 (iii) postage;
2132 (iv) handling;
2133 (v) crating; or
2134 (vi) packing.
- 2135 (36) "Detailed telecommunications billing service" means an ancillary service of separately
2136 stating information pertaining to individual calls on a customer's billing statement.

- 2137 (37) "Dietary supplement" means a product, other than tobacco, that:
- 2138 (a) is intended to supplement the diet;
- 2139 (b) contains one or more of the following dietary ingredients:
- 2140 (i) a vitamin;
- 2141 (ii) a mineral;
- 2142 (iii) an herb or other botanical;
- 2143 (iv) an amino acid;
- 2144 (v) a dietary substance for use by humans to supplement the diet by increasing the
- 2145 total dietary intake; or
- 2146 (vi) a concentrate, metabolite, constituent, extract, or combination of any ingredient
- 2147 described in Subsections (37)(b)(i) through (v);
- 2148 (c) (i) except as provided in Subsection (37)(c)(ii), is intended for ingestion in:
- 2149 (A) tablet form;
- 2150 (B) capsule form;
- 2151 (C) powder form;
- 2152 (D) softgel form;
- 2153 (E) gelcap form; or
- 2154 (F) liquid form; or
- 2155 (ii) if the product is not intended for ingestion in a form described in Subsections
- 2156 (37)(c)(i)(A) through (F), is not represented:
- 2157 (A) as conventional food; and
- 2158 (B) for use as a sole item of:
- 2159 (I) a meal; or
- 2160 (II) the diet; and
- 2161 (d) is required to be labeled as a dietary supplement:
- 2162 (i) identifiable by the "Supplemental Facts" box found on the label; and
- 2163 (ii) as required by 21 C.F.R. Sec. 101.36.
- 2164 (38) (a) "Digital audio work" means a work that results from the fixation of a series of
- 2165 musical, spoken, or other sounds.
- 2166 (b) "Digital audio work" includes a ringtone.
- 2167 (39) "Digital audio-visual work" means a series of related images which, when shown in
- 2168 succession, imparts an impression of motion, together with accompanying sounds, if any.
- 2169 (40) "Digital book" means a work that is generally recognized in the ordinary and usual
- 2170 sense as a book.

- 2171 (41) (a) "Direct mail" means printed material delivered or distributed by United States
2172 mail or other delivery service:
- 2173 (i) to:
- 2174 (A) a mass audience; or
- 2175 (B) addressees on a mailing list provided:
- 2176 (I) by a purchaser of the mailing list; or
- 2177 (II) at the discretion of the purchaser of the mailing list; and
- 2178 (ii) if the cost of the printed material is not billed directly to the recipients.
- 2179 (b) "Direct mail" includes tangible personal property supplied directly or indirectly by a
2180 purchaser to a seller of direct mail for inclusion in a package containing the printed
2181 material.
- 2182 (c) "Direct mail" does not include multiple items of printed material delivered to a single
2183 address.
- 2184 (42) "Directory assistance" means an ancillary service of providing:
- 2185 (a) address information; or
- 2186 (b) telephone number information.
- 2187 (43) (a) "Disposable home medical equipment or supplies" means medical equipment or
2188 supplies that:
- 2189 (i) cannot withstand repeated use; and
- 2190 (ii) are purchased by, for, or on behalf of a person other than:
- 2191 (A) a health care facility as defined in Section 26B-2-201;
- 2192 (B) a health care provider as defined in Section 78B-3-403;
- 2193 (C) an office of a health care provider described in Subsection (43)(a)(ii)(B); or
- 2194 (D) a person similar to a person described in Subsections (43)(a)(ii)(A) through
2195 (C).
- 2196 (b) "Disposable home medical equipment or supplies" does not include:
- 2197 (i) a drug;
- 2198 (ii) durable medical equipment;
- 2199 (iii) a hearing aid;
- 2200 (iv) a hearing aid accessory;
- 2201 (v) mobility enhancing equipment; or
- 2202 (vi) tangible personal property used to correct impaired vision, including:
- 2203 (A) eyeglasses; or
- 2204 (B) contact lenses.

- 2205 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2206 commission may by rule define what constitutes medical equipment or supplies.
- 2207 (44) "Drilling equipment manufacturer" means a facility:
- 2208 (a) located in the state;
- 2209 (b) with respect to which 51% or more of the manufacturing activities of the facility
2210 consist of manufacturing component parts of drilling equipment;
- 2211 (c) that uses pressure of 800,000 or more pounds per square inch as part of the
2212 manufacturing process; and
- 2213 (d) that uses a temperature of 2,000 or more degrees Fahrenheit as part of the
2214 manufacturing process.
- 2215 (45) (a) "Drug" means a compound, substance, or preparation, or a component of a
2216 compound, substance, or preparation that is:
- 2217 (i) recognized in:
- 2218 (A) the official United States Pharmacopoeia;
- 2219 (B) the official Homeopathic Pharmacopoeia of the United States;
- 2220 (C) the official National Formulary; or
- 2221 (D) a supplement to a publication listed in Subsections (45)(a)(i)(A) through (C);
- 2222 (ii) intended for use in the:
- 2223 (A) diagnosis of disease;
- 2224 (B) cure of disease;
- 2225 (C) mitigation of disease;
- 2226 (D) treatment of disease; or
- 2227 (E) prevention of disease; or
- 2228 (iii) intended to affect:
- 2229 (A) the structure of the body; or
- 2230 (B) any function of the body.
- 2231 (b) "Drug" does not include:
- 2232 (i) food and food ingredients;
- 2233 (ii) a dietary supplement;
- 2234 (iii) an alcoholic beverage; or
- 2235 (iv) a prosthetic device.
- 2236 (46) (a) [~~Except as provided in Subsection (46)(c), "durable"~~] "Durable medical
2237 equipment" means equipment that:
- 2238 (i) can withstand repeated use;

- 2239 (ii) is primarily and customarily used to serve a medical purpose;
2240 (iii) generally is not useful to a person in the absence of illness or injury; and
2241 (iv) is not worn in or on the body.
- 2242 (b) "Durable medical equipment" includes parts used in the repair or replacement of the
2243 equipment described in Subsection (46)(a).
- 2244 (c) "Durable medical equipment" does not include mobility enhancing equipment.
- 2245 (47) "Electronic" means:
- 2246 (a) relating to technology; and
2247 (b) having:
- 2248 (i) electrical capabilities;
2249 (ii) digital capabilities;
2250 (iii) magnetic capabilities;
2251 (iv) wireless capabilities;
2252 (v) optical capabilities;
2253 (vi) electromagnetic capabilities; or
2254 (vii) capabilities similar to Subsections (47)(b)(i) through (vi).
- 2255 (48) "Electronic financial payment service" means an establishment:
- 2256 (a) within NAICS Code 522320, Financial Transactions Processing, Reserve, and
2257 Clearinghouse Activities, of the 2012 North American Industry Classification System
2258 of the federal Executive Office of the President, Office of Management and Budget;
2259 and
2260 (b) that performs electronic financial payment services.
- 2261 (49) "Employee" means the same as that term is defined in Section 59-10-401.
- 2262 (50) "Fixed guideway" means a public transit facility that uses and occupies:
- 2263 (a) rail for the use of public transit; or
2264 (b) a separate right-of-way for the use of public transit.
- 2265 (51) "Fixed wing turbine powered aircraft" means an aircraft that:
- 2266 (a) is powered by turbine engines;
2267 (b) operates on jet fuel; and
2268 (c) has wings that are permanently attached to the fuselage of the aircraft.
- 2269 (52) "Fixed wireless service" means a telecommunications service that provides radio
2270 communication between fixed points.
- 2271 (53) (a) "Food and food ingredients" means substances:
2272 (i) regardless of whether the substances are in:

- 2273 (A) liquid form;
 2274 (B) concentrated form;
 2275 (C) solid form;
 2276 (D) frozen form;
 2277 (E) dried form; or
 2278 (F) dehydrated form; and
 2279 (ii) that are:
 2280 (A) sold for:
 2281 (I) ingestion by humans; or
 2282 (II) chewing by humans; and
 2283 (B) consumed for the substance's:
 2284 (I) taste; or
 2285 (II) nutritional value.
 2286 (b) "Food and food ingredients" includes an item described in Subsection (99)(b)(iii).
 2287 (c) "Food and food ingredients" does not include:
 2288 (i) an alcoholic beverage;
 2289 (ii) tobacco; or
 2290 (iii) prepared food.
 2291 (54) (a) "Fundraising sales" means sales:
 2292 (i) (A) made by a school; or
 2293 (B) made by a school student;
 2294 (ii) that are for the purpose of raising funds for the school to purchase equipment,
 2295 materials, or provide transportation; and
 2296 (iii) that are part of an officially sanctioned school activity.
 2297 (b) For purposes of Subsection (54)(a)(iii), "officially sanctioned school activity" means
 2298 a school activity:
 2299 (i) that is conducted in accordance with a formal policy adopted by the school or
 2300 school district governing the authorization and supervision of fundraising
 2301 activities;
 2302 (ii) that does not directly or indirectly compensate an individual teacher or other
 2303 educational personnel by direct payment, commissions, or payment in kind; and
 2304 (iii) the net or gross ~~revenues~~ revenue from which ~~are~~ is deposited in a dedicated
 2305 account controlled by the school or school district.
 2306 (55) "Geothermal energy" means energy contained in heat that continuously flows outward

- 2307 from the earth that is used as the sole source of energy to produce electricity.
- 2308 (56) "Governing board of the agreement" means the governing board of the agreement that
- 2309 is:
- 2310 (a) authorized to administer the agreement; and
- 2311 (b) established in accordance with the agreement.
- 2312 (57) (a) For purposes of Subsection 59-12-104(41), "governmental entity" means:
- 2313 (i) the executive branch of the state, including all departments, institutions, boards,
- 2314 divisions, bureaus, offices, commissions, and committees;
- 2315 (ii) the judicial branch of the state, including the courts, the Judicial Council, the
- 2316 Administrative Office of the Courts, and similar administrative units in the
- 2317 judicial branch;
- 2318 (iii) the legislative branch of the state, including the House of Representatives, the
- 2319 Senate, the Legislative Printing Office, the Office of Legislative Research and
- 2320 General Counsel, the Office of the Legislative Auditor General, and the Office of
- 2321 the Legislative Fiscal Analyst;
- 2322 (iv) the National Guard;
- 2323 (v) an independent entity as defined in Section 63E-1-102; or
- 2324 (vi) a political subdivision as defined in Section 17B-1-102.
- 2325 (b) "Governmental entity" does not include the state systems of public and higher
- 2326 education, including:
- 2327 (i) a school;
- 2328 (ii) the State Board of Education;
- 2329 (iii) the Utah Board of Higher Education; or
- 2330 (iv) an institution of higher education described in Section 53B-1-102.
- 2331 (58) "Hydroelectric energy" means water used as the sole source of energy to produce
- 2332 electricity.
- 2333 (59) "Individual-owned shared vehicle" means the same as that term is defined in Section
- 2334 13-48a-101.
- 2335 (60) "Industrial use" means the use of natural gas, electricity, heat, coal, fuel oil, or other
- 2336 fuels:
- 2337 (a) in mining or extraction of minerals;
- 2338 (b) in agricultural operations to produce an agricultural product up to the time of harvest
- 2339 or placing the agricultural product into a storage facility, including:
- 2340 (i) commercial greenhouses;

- 2341 (ii) irrigation pumps;
 2342 (iii) farm machinery;
 2343 (iv) implements of husbandry as defined in Section 41-1a-102 that are not registered
 2344 under Title 41, Chapter 1a, Part 2, Registration; and
 2345 (v) other farming activities;
- 2346 (c) in manufacturing tangible personal property at an establishment described in:
 2347 (i) SIC Codes 2000 to 3999 of the 1987 Standard Industrial Classification Manual of
 2348 the federal Executive Office of the President, Office of Management and Budget;
 2349 or
 2350 (ii) a NAICS code within NAICS Sector 31-33, Manufacturing, of the 2017 North
 2351 American Industry Classification System of the federal Executive Office of the
 2352 President, Office of Management and Budget;
- 2353 (d) by a scrap recycler if:
 2354 (i) from a fixed location, the scrap recycler utilizes machinery or equipment to
 2355 process one or more of the following items into prepared grades of processed
 2356 materials for use in new products:
 2357 (A) iron;
 2358 (B) steel;
 2359 (C) nonferrous metal;
 2360 (D) paper;
 2361 (E) glass;
 2362 (F) plastic;
 2363 (G) textile; or
 2364 (H) rubber; and
 2365 (ii) the new products under Subsection (60)(d)(i) would otherwise be made with
 2366 nonrecycled materials; or
- 2367 (e) in producing a form of energy or steam described in Subsection 54-2-1(3)(a) by a
 2368 cogeneration facility as defined in Section 54-2-1.
- 2369 (61) (a) [~~Except as provided in Subsection (61)(b), "installation"~~] "Installation charge"
 2370 means a charge for installing:
 2371 (i) tangible personal property; or
 2372 (ii) a product transferred electronically.
- 2373 (b) "Installation charge" does not include a charge for:
 2374 (i) repairs or renovations of:

- 2375 (A) tangible personal property; or
2376 (B) a product transferred electronically; or
2377 (ii) attaching tangible personal property or a product transferred electronically:
2378 (A) to other tangible personal property; and
2379 (B) as part of a manufacturing or fabrication process.
- 2380 (62) "Institution of higher education" means an institution of higher education listed in
2381 Section 53B-2-101.
- 2382 (63) (a) "Lease" or "rental" means a transfer of possession or control of tangible personal
2383 property or a product transferred electronically for:
2384 (i) (A) a fixed term; or
2385 (B) an indeterminate term; and
2386 (ii) consideration.
- 2387 (b) "Lease" or "rental" includes:
2388 (i) an agreement covering a motor vehicle and trailer if the amount of consideration
2389 may be increased or decreased by reference to the amount realized upon sale or
2390 disposition of the property as defined in Section 7701(h)(1), Internal Revenue
2391 Code; and
2392 (ii) car sharing.
- 2393 (c) "Lease" or "rental" does not include:
2394 (i) a transfer of possession or control of property under a security agreement or
2395 deferred payment plan that requires the transfer of title upon completion of the
2396 required payments;
2397 (ii) a transfer of possession or control of property under an agreement that requires
2398 the transfer of title:
2399 (A) upon completion of required payments; and
2400 (B) if the payment of an option price does not exceed the greater of:
2401 (I) \$100; or
2402 (II) 1% of the total required payments; or
2403 (iii) providing tangible personal property along with an operator for a fixed period of
2404 time or an indeterminate period of time if the operator is necessary for equipment
2405 to perform as designed.
- 2406 (d) For purposes of Subsection (63)(c)(iii), an operator is necessary for equipment to
2407 perform as designed if the operator's duties exceed the:
2408 (i) set-up of tangible personal property;

- 2409 (ii) maintenance of tangible personal property; or
2410 (iii) inspection of tangible personal property.
- 2411 (64) "Lesson" means a fixed period of time for the duration of which a trained instructor:
2412 (a) is present with a student in person or by video; and
2413 (b) actively instructs the student, including by providing observation or feedback.
- 2414 (65) "Life science establishment" means an establishment in this state that is classified
2415 under the following NAICS codes of the 2007 North American Industry Classification
2416 System of the federal Executive Office of the President, Office of Management and
2417 Budget:
2418 (a) NAICS Code 33911, Medical Equipment and Supplies Manufacturing;
2419 (b) NAICS Code 334510, Electromedical and Electrotherapeutic Apparatus
2420 Manufacturing; or
2421 (c) NAICS Code 334517, Irradiation Apparatus Manufacturing.
- 2422 (66) "Life science research and development facility" means a facility owned, leased, or
2423 rented by a life science establishment if research and development is performed in 51%
2424 or more of the total area of the facility.
- 2425 (67) "Load and leave" means delivery to a purchaser by use of a tangible storage media if
2426 the tangible storage media is not physically transferred to the purchaser.
- 2427 (68) "Local taxing jurisdiction" means a:
2428 (a) county that is authorized to impose an agreement sales and use tax;
2429 (b) city that is authorized to impose an agreement sales and use tax; or
2430 (c) town that is authorized to impose an agreement sales and use tax.
- 2431 (69) "Manufactured home" means the same as that term is defined in Section 15A-1-302.
- 2432 (70) "Manufacturing facility" means:
2433 (a) an establishment described in:
2434 (i) SIC Codes 2000 to 3999 of the 1987 Standard Industrial Classification Manual of
2435 the federal Executive Office of the President, Office of Management and Budget;
2436 or
2437 (ii) a NAICS code within NAICS Sector 31-33, Manufacturing, of the 2017 North
2438 American Industry Classification System of the federal Executive Office of the
2439 President, Office of Management and Budget;
2440 (b) a scrap recycler if:
2441 (i) from a fixed location, the scrap recycler utilizes machinery or equipment to
2442 process one or more of the following items into prepared grades of processed

- 2443 materials for use in new products:
- 2444 (A) iron;
- 2445 (B) steel;
- 2446 (C) nonferrous metal;
- 2447 (D) paper;
- 2448 (E) glass;
- 2449 (F) plastic;
- 2450 (G) textile; or
- 2451 (H) rubber; and
- 2452 (ii) the new products under Subsection (70)(b)(i) would otherwise be made with
- 2453 nonrecycled materials; or
- 2454 (c) a cogeneration facility as defined in Section 54-2-1 if the cogeneration facility is
- 2455 placed in service on or after May 1, 2006.
- 2456 (71) (a) "Marketplace" means a physical or electronic place, platform, or forum where
- 2457 tangible personal property, a product transferred electronically, or a service is offered
- 2458 for sale.
- 2459 (b) "Marketplace" includes a store, a booth, an Internet website, a catalog, or a dedicated
- 2460 sales software application.
- 2461 (72) (a) "Marketplace facilitator" means a person, including an affiliate of the person,
- 2462 that enters into a contract, an agreement, or otherwise with sellers, for consideration,
- 2463 to facilitate the sale of a seller's product through a marketplace that the person owns,
- 2464 operates, or controls and that directly or indirectly:
- 2465 (i) does any of the following:
- 2466 (A) lists, makes available, or advertises tangible personal property, a product
- 2467 transferred electronically, or a service for sale by a marketplace seller on a
- 2468 marketplace that the person owns, operates, or controls;
- 2469 (B) facilitates the sale of a marketplace seller's tangible personal property, product
- 2470 transferred electronically, or service by transmitting or otherwise
- 2471 communicating an offer or acceptance of a retail sale between the marketplace
- 2472 seller and a purchaser using the marketplace;
- 2473 (C) owns, rents, licenses, makes available, or operates any electronic or physical
- 2474 infrastructure or any property, process, method, copyright, trademark, or patent
- 2475 that connects a marketplace seller to a purchaser for the purpose of making a
- 2476 retail sale of tangible personal property, a product transferred electronically, or

- 2477 a service;
- 2478 (D) provides a marketplace for making, or otherwise facilitates, a retail sale of
- 2479 tangible personal property, a product transferred electronically, or a service,
- 2480 regardless of ownership or control of the tangible personal property, the
- 2481 product transferred electronically, or the service that is the subject of the retail
- 2482 sale;
- 2483 (E) provides software development or research and development activities related
- 2484 to any activity described in this Subsection (72)(a)(i), if the software
- 2485 development or research and development activity is directly related to the
- 2486 person's marketplace;
- 2487 (F) provides or offers fulfillment or storage services for a marketplace seller;
- 2488 (G) sets prices for the sale of tangible personal property, a product transferred
- 2489 electronically, or a service by a marketplace seller;
- 2490 (H) provides or offers customer service to a marketplace seller or a marketplace
- 2491 seller's purchaser or accepts or assists with taking orders, returns, or exchanges
- 2492 of tangible personal property, a product transferred electronically, or a service
- 2493 sold by a marketplace seller on the person's marketplace; or
- 2494 (I) brands or otherwise identifies sales as those of the person; and
- 2495 (ii) does any of the following:
- 2496 (A) collects the sales price or purchase price of a retail sale of tangible personal
- 2497 property, a product transferred electronically, or a service;
- 2498 (B) provides payment processing services for a retail sale of tangible personal
- 2499 property, a product transferred electronically, or a service;
- 2500 (C) charges, collects, or otherwise receives a selling fee, listing fee, referral fee,
- 2501 closing fee, a fee for inserting or making available tangible personal property, a
- 2502 product transferred electronically, or a service on the person's marketplace, or
- 2503 other consideration for the facilitation of a retail sale of tangible personal
- 2504 property, a product transferred electronically, or a service, regardless of
- 2505 ownership or control of the tangible personal property, the product transferred
- 2506 electronically, or the service that is the subject of the retail sale;
- 2507 (D) through terms and conditions, an agreement, or another arrangement with a
- 2508 third person, collects payment from a purchase for a retail sale of tangible
- 2509 personal property, a product transferred electronically, or a service and
- 2510 transmits that payment to the marketplace seller, regardless of whether the

- 2511 third person receives compensation or other consideration in exchange for the
2512 service; or
- 2513 (E) provides a virtual currency for a purchaser to use to purchase tangible personal
2514 property, a product transferred electronically, or service offered for sale.
- 2515 (b) "Marketplace facilitator" does not include:
- 2516 (i) a person that only provides payment processing services; or
- 2517 (ii) a person described in Subsection (72)(a) to the extent the person is facilitating a
2518 sale for a seller that is a restaurant as defined in Section 59-12-602.
- 2519 (73) "Marketplace seller" means a seller that makes one or more retail sales through a
2520 marketplace that a marketplace facilitator owns, operates, or controls, regardless of
2521 whether the seller is required to be registered to collect and remit the tax under this part.
- 2522 (74) "Member of the immediate family of the producer" means a person who is related to a
2523 producer described in Subsection 59-12-104(20)(a) as a:
- 2524 (a) child or stepchild, regardless of whether the child or stepchild is:
- 2525 (i) an adopted child or adopted stepchild; or
- 2526 (ii) a foster child or foster stepchild;
- 2527 (b) grandchild or stepgrandchild;
- 2528 (c) grandparent or stepgrandparent;
- 2529 (d) nephew or stepnephew;
- 2530 (e) niece or stepniece;
- 2531 (f) parent or stepparent;
- 2532 (g) sibling or stepsibling;
- 2533 (h) spouse;
- 2534 (i) person who is the spouse of a person described in Subsections (74)(a) through (g); or
- 2535 (j) person similar to a person described in Subsections (74)(a) through (i) as determined
2536 by the commission by rule made in accordance with Title 63G, Chapter 3, Utah
2537 Administrative Rulemaking Act.
- 2538 (75) "Mobile home" means the same as that term is defined in Section 15A-1-302.
- 2539 (76) "Mobile telecommunications service" means the same as that term is defined in the
2540 Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 124.
- 2541 (77) (a) "Mobile wireless service" means a telecommunications service, regardless of the
2542 technology used, if:
- 2543 (i) the origination point of the conveyance, routing, or transmission is not fixed;
- 2544 (ii) the termination point of the conveyance, routing, or transmission is not fixed; or

2545 (iii) the origination point described in Subsection (77)(a)(i) and the termination point
2546 described in Subsection (77)(a)(ii) are not fixed.

2547 (b) "Mobile wireless service" includes a telecommunications service that is provided by
2548 a commercial mobile radio service provider.

2549 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2550 commission may by rule define "commercial mobile radio service provider."

2551 (78) (a) [~~Except as provided in Subsection (78)(c), "mobility"~~] "Mobility enhancing
2552 equipment" means equipment that is:

2553 (i) primarily and customarily used to provide or increase the ability to move from one
2554 place to another;

2555 (ii) appropriate for use in a:

2556 (A) home; or

2557 (B) motor vehicle; and

2558 (iii) not generally used by persons with normal mobility.

2559 (b) "Mobility enhancing equipment" includes parts used in the repair or replacement of
2560 the equipment described in Subsection (78)(a).

2561 (c) "Mobility enhancing equipment" does not include:

2562 (i) a motor vehicle;

2563 (ii) equipment on a motor vehicle if that equipment is normally provided by the
2564 motor vehicle manufacturer;

2565 (iii) durable medical equipment; or

2566 (iv) a prosthetic device.

2567 (79) "Model 1 seller" means a seller registered under the agreement that has selected a
2568 certified service provider as the seller's agent to perform the seller's sales and use tax
2569 functions for agreement sales and use taxes, as outlined in the contract between the
2570 governing board of the agreement and the certified service provider, other than the
2571 seller's obligation under Section 59-12-124 to remit a tax on the seller's own purchases.

2572 (80) "Model 2 seller" means a seller registered under the agreement that:

2573 (a) except as provided in Subsection (80)(b), has selected a certified automated system
2574 to perform the seller's sales tax functions for agreement sales and use taxes; and

2575 (b) retains responsibility for remitting all of the sales tax:

2576 (i) collected by the seller; and

2577 (ii) to the appropriate local taxing jurisdiction.

2578 (81) (a) Subject to Subsection (81)(b), "model 3 seller" means a seller registered under

- 2579 the agreement that has:
- 2580 (i) sales in at least five states that are members of the agreement;
- 2581 (ii) total annual sales [~~revenues~~] revenue of at least \$500,000,000;
- 2582 (iii) a proprietary system that calculates the amount of tax:
- 2583 (A) for an agreement sales and use tax; and
- 2584 (B) due to each local taxing jurisdiction; and
- 2585 (iv) entered into a performance agreement with the governing board of the agreement.
- 2586 (b) For purposes of Subsection (81)(a), "model 3 seller" includes an affiliated group of
- 2587 sellers using the same proprietary system.
- 2588 (82) "Model 4 seller" means a seller that is registered under the agreement and is not a
- 2589 model 1 seller, model 2 seller, or model 3 seller.
- 2590 (83) "Modular home" means a modular unit as defined in Section 15A-1-302.
- 2591 (84) "Motor vehicle" means the same as that term is defined in Section 41-1a-102.
- 2592 (85) "Oil sands" means impregnated bituminous sands that:
- 2593 (a) contain a heavy, thick form of petroleum that is released when heated, mixed with
- 2594 other hydrocarbons, or otherwise treated;
- 2595 (b) yield mixtures of liquid hydrocarbon; and
- 2596 (c) require further processing other than mechanical blending before becoming finished
- 2597 petroleum products.
- 2598 (86) "Oil shale" means a group of fine black to dark brown shales containing kerogen
- 2599 material that yields petroleum upon heating and distillation.
- 2600 (87) "Optional computer software maintenance contract" means a computer software
- 2601 maintenance contract that a customer is not obligated to purchase as a condition to the
- 2602 retail sale of computer software.
- 2603 (88) (a) "Other fuels" means products that burn independently to produce heat or energy.
- 2604 (b) "Other fuels" includes oxygen when it is used in the manufacturing of tangible
- 2605 personal property.
- 2606 (89) (a) "Paging service" means a telecommunications service that provides transmission
- 2607 of a coded radio signal for the purpose of activating a specific pager.
- 2608 (b) For purposes of Subsection (89)(a), the transmission of a coded radio signal includes
- 2609 a transmission by message or sound.
- 2610 (90) "Pawn transaction" means the same as that term is defined in Section 13-32a-102.
- 2611 (91) "Pawnbroker" means the same as that term is defined in Section 13-32a-102.
- 2612 (92) (a) "Permanently attached to real property" means that for tangible personal

property attached to real property:

(i) the attachment of the tangible personal property to the real property:

(A) is essential to the use of the tangible personal property; and

(B) suggests that the tangible personal property will remain attached to the real property in the same place over the useful life of the tangible personal property; or

(ii) if the tangible personal property is detached from the real property, the detachment would:

(A) cause substantial damage to the tangible personal property; or

(B) require substantial alteration or repair of the real property to which the tangible personal property is attached.

(b) "Permanently attached to real property" includes:

(i) the attachment of an accessory to the tangible personal property if the accessory is:

(A) essential to the operation of the tangible personal property; and

(B) attached only to facilitate the operation of the tangible personal property;

(ii) a temporary detachment of tangible personal property from real property for a repair or renovation if the repair or renovation is performed where the tangible personal property and real property are located; or

(iii) property attached to oil, gas, or water pipelines, except for the property listed in Subsection (92)(c)(iii) or (iv).

(c) "Permanently attached to real property" does not include:

(i) the attachment of portable or movable tangible personal property to real property if that portable or movable tangible personal property is attached to real property only for:

(A) convenience;

(B) stability; or

(C) for an obvious temporary purpose;

(ii) the detachment of tangible personal property from real property except for the detachment described in Subsection (92)(b)(ii);

(iii) an attachment of the following tangible personal property to real property if the attachment to real property is only through a line that supplies water, electricity, gas, telecommunications, cable, or supplies a similar item as determined by the commission by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act:

- 2647 (A) a computer;
2648 (B) a telephone;
2649 (C) a television; or
2650 (D) tangible personal property similar to Subsections (92)(c)(iii)(A) through (C)
2651 as determined by the commission by rule made in accordance with Title 63G,
2652 Chapter 3, Utah Administrative Rulemaking Act; or
2653 (iv) an item listed in Subsection [~~(136)(e)~~] (137)(c).
- 2654 (93) "Person" includes any individual, firm, partnership, joint venture, association,
2655 corporation, estate, trust, business trust, receiver, syndicate, this state, any county, city,
2656 municipality, district, or other local governmental entity of the state, or any group or
2657 combination acting as a unit.
- 2658 (94) "Place of primary use":
2659 (a) for telecommunications service other than mobile telecommunications service,
2660 means the street address representative of where the customer's use of the
2661 telecommunications service primarily occurs, which shall be:
2662 (i) the residential street address of the customer; or
2663 (ii) the primary business street address of the customer; or
2664 (b) for mobile telecommunications service, means the same as that term is defined in the
2665 Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 124.
- 2666 (95) (a) "Postpaid calling service" means a telecommunications service a person obtains
2667 by making a payment on a call-by-call basis:
2668 (i) through the use of a:
2669 (A) bank card;
2670 (B) credit card;
2671 (C) debit card; or
2672 (D) travel card; or
2673 (ii) by a charge made to a telephone number that is not associated with the origination
2674 or termination of the telecommunications service.
- 2675 (b) "Postpaid calling service" includes a service, except for a prepaid wireless calling
2676 service, that would be a prepaid wireless calling service if the service were
2677 exclusively a telecommunications service.
- 2678 (96) "Postproduction" means an activity related to the finishing or duplication of a medium
2679 described in Subsection 59-12-104(54)(a).
- 2680 (97) "Prepaid calling service" means a telecommunications service:

- 2681 (a) that allows a purchaser access to telecommunications service that is exclusively
2682 telecommunications service;
- 2683 (b) that:
- 2684 (i) is paid for in advance; and
- 2685 (ii) enables the origination of a call using an:
- 2686 (A) access number; or
- 2687 (B) authorization code;
- 2688 (c) that is dialed:
- 2689 (i) manually; or
- 2690 (ii) electronically; and
- 2691 (d) sold in predetermined units or dollars that decline:
- 2692 (i) by a known amount; and
- 2693 (ii) with use.
- 2694 (98) "Prepaid wireless calling service" means a telecommunications service:
- 2695 (a) that provides the right to utilize:
- 2696 (i) mobile wireless service; and
- 2697 (ii) other service that is not a telecommunications service, including:
- 2698 (A) the download of a product transferred electronically;
- 2699 (B) a content service; or
- 2700 (C) an ancillary service;
- 2701 (b) that:
- 2702 (i) is paid for in advance; and
- 2703 (ii) enables the origination of a call using an:
- 2704 (A) access number; or
- 2705 (B) authorization code;
- 2706 (c) that is dialed:
- 2707 (i) manually; or
- 2708 (ii) electronically; and
- 2709 (d) sold in predetermined units or dollars that decline:
- 2710 (i) by a known amount; and
- 2711 (ii) with use.
- 2712 (99) (a) "Prepared food" means:
- 2713 (i) food:
- 2714 (A) sold in a heated state; or

- 2715 (B) heated by a seller;
- 2716 (ii) two or more food ingredients mixed or combined by the seller for sale as a single
- 2717 item; or
- 2718 (iii) except as provided in Subsection (99)(c), food sold with an eating utensil
- 2719 provided by the seller, including a:
- 2720 (A) plate;
- 2721 (B) knife;
- 2722 (C) fork;
- 2723 (D) spoon;
- 2724 (E) glass;
- 2725 (F) cup;
- 2726 (G) napkin; or
- 2727 (H) straw.
- 2728 (b) "Prepared food" does not include:
- 2729 (i) food that a seller only:
- 2730 (A) cuts;
- 2731 (B) repackages; or
- 2732 (C) pasteurizes;
- 2733 (ii) (A) the following:
- 2734 (I) raw egg;
- 2735 (II) raw fish;
- 2736 (III) raw meat;
- 2737 (IV) raw poultry; or
- 2738 (V) a food containing an item described in Subsections (99)(b)(ii)(A)(I)
- 2739 through (IV); and
- 2740 (B) if the Food and Drug Administration recommends in Chapter 3, Part 401.11 of
- 2741 the Food and Drug Administration's Food Code that a consumer cook the items
- 2742 described in Subsection (99)(b)(ii)(A) to prevent food borne illness; or
- 2743 (iii) the following if sold without eating utensils provided by the seller:
- 2744 (A) food and food ingredients sold by a seller if the seller's proper primary
- 2745 classification under the 2002 North American Industry Classification System
- 2746 of the federal Executive Office of the President, Office of Management and
- 2747 Budget, is manufacturing in Sector 311, Food Manufacturing, except for
- 2748 Subsector 3118, Bakeries and Tortilla Manufacturing;

- 2749 (B) food and food ingredients sold in an unheated state:
2750 (I) by weight or volume; and
2751 (II) as a single item; or
2752 (C) a bakery item, including:
2753 (I) a bagel;
2754 (II) a bar;
2755 (III) a biscuit;
2756 (IV) bread;
2757 (V) a bun;
2758 (VI) a cake;
2759 (VII) a cookie;
2760 (VIII) a croissant;
2761 (IX) a danish;
2762 (X) a donut;
2763 (XI) a muffin;
2764 (XII) a pastry;
2765 (XIII) a pie;
2766 (XIV) a roll;
2767 (XV) a tart;
2768 (XVI) a torte; or
2769 (XVII) a tortilla.
- 2770 (c) An eating utensil provided by the seller does not include the following used to
2771 transport the food:
2772 (i) a container; or
2773 (ii) packaging.
- 2774 (100) "Prescription" means an order, formula, or recipe that is issued:
2775 (a) (i) orally;
2776 (ii) in writing;
2777 (iii) electronically; or
2778 (iv) by any other manner of transmission; and
2779 (b) by a licensed practitioner authorized by the laws of a state.
- 2780 (101) (a) [~~Except as provided in Subsection (101)(b)(ii) or (iii), "prewritten"~~] "Prewritten
2781 computer software" means computer software that is not designed and developed:
2782 (i) by the author or other creator of the computer software; and

- 2783 (ii) to the specifications of a specific purchaser.
- 2784 (b) "Prewritten computer software" includes:
- 2785 (i) a prewritten upgrade to computer software if the prewritten upgrade to the
- 2786 computer software is not designed and developed:
- 2787 (A) by the author or other creator of the computer software; and
- 2788 (B) to the specifications of a specific purchaser;
- 2789 (ii) computer software designed and developed by the author or other creator of the
- 2790 computer software to the specifications of a specific purchaser if the computer
- 2791 software is sold to a person other than the purchaser; or
- 2792 (iii) except as provided in Subsection (101)(c), prewritten computer software or a
- 2793 prewritten portion of prewritten computer software:
- 2794 (A) that is modified or enhanced to any degree; and
- 2795 (B) if the modification or enhancement described in Subsection (101)(b)(iii)(A) is
- 2796 designed and developed to the specifications of a specific purchaser.
- 2797 (c) "Prewritten computer software" does not include a modification or enhancement
- 2798 described in Subsection (101)(b)(iii) if the charges for the modification or
- 2799 enhancement are:
- 2800 (i) reasonable; and
- 2801 (ii) subject to Subsections 59-12-103(2)(f)(ii) and (2)(g)(i), separately stated on the
- 2802 invoice or other statement of price provided to the purchaser at the time of sale or
- 2803 later, as demonstrated by:
- 2804 (A) the books and records the seller keeps at the time of the transaction in the
- 2805 regular course of business, including books and records the seller keeps at the
- 2806 time of the transaction in the regular course of business for nontax purposes;
- 2807 (B) a preponderance of the facts and circumstances at the time of the transaction;
- 2808 and
- 2809 (C) the understanding of all of the parties to the transaction.
- 2810 (102) (a) "Private communications service" means a telecommunications service:
- 2811 (i) that entitles a customer to exclusive or priority use of one or more
- 2812 communications channels between or among termination points; and
- 2813 (ii) regardless of the manner in which the one or more communications channels are
- 2814 connected.
- 2815 (b) "Private communications service" includes the following provided in connection
- 2816 with the use of one or more communications channels:

- 2817 (i) an extension line;
- 2818 (ii) a station;
- 2819 (iii) switching capacity; or
- 2820 (iv) another associated service that is provided in connection with the use of one or
- 2821 more communications channels as defined in Section 59-12-215.

2822 (103) (a) [~~Except as provided in Subsection (103)(b), "product"~~] "Product transferred
2823 electronically" means a product transferred electronically that would be subject to a
2824 tax under this chapter if that product was transferred in a manner other than
2825 electronically.

2826 (b) "Product transferred electronically" does not include:

- 2827 (i) an ancillary service;
- 2828 (ii) computer software; or
- 2829 (iii) a telecommunications service.

2830 (104) (a) "Prosthetic device" means a device that is worn on or in the body to:

- 2831 (i) artificially replace a missing portion of the body;
- 2832 (ii) prevent or correct a physical deformity or physical malfunction; or
- 2833 (iii) support a weak or deformed portion of the body.

2834 (b) "Prosthetic device" includes:

- 2835 (i) parts used in the repairs or renovation of a prosthetic device;
- 2836 (ii) replacement parts for a prosthetic device;
- 2837 (iii) a dental prosthesis; or
- 2838 (iv) a hearing aid.

2839 (c) "Prosthetic device" does not include:

- 2840 (i) corrective eyeglasses; or
- 2841 (ii) contact lenses.

2842 (105) (a) "Protective equipment" means an item:

- 2843 (i) for human wear; and
- 2844 (ii) that is:
 - 2845 (A) designed as protection:
 - 2846 (I) to the wearer against injury or disease; or
 - 2847 (II) against damage or injury of other persons or property; and
 - 2848 (B) not suitable for general use.

2849 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2850 commission shall make rules:

- 2851 (i) listing the items that constitute "protective equipment"; and
2852 (ii) that are consistent with the list of items that constitute "protective equipment"
2853 under the agreement.
- 2854 (106) (a) For purposes of Subsection 59-12-104(41), "publication" means any written or
2855 printed matter, other than a photocopy:
- 2856 (i) regardless of:
- 2857 (A) characteristics;
2858 (B) copyright;
2859 (C) form;
2860 (D) format;
2861 (E) method of reproduction; or
2862 (F) source; and
- 2863 (ii) made available in printed or electronic format.
- 2864 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2865 commission may by rule define the term "photocopy."
- 2866 (107) (a) "Purchase price" and "sales price" mean the total amount of consideration:
- 2867 (i) valued in money; and
2868 (ii) for which tangible personal property, a product transferred electronically, or
2869 services are:
- 2870 (A) sold;
2871 (B) leased; or
2872 (C) rented.
- 2873 (b) "Purchase price" and "sales price" include:
- 2874 (i) the seller's cost of the tangible personal property, a product transferred
2875 electronically, or services sold;
- 2876 (ii) expenses of the seller, including:
- 2877 (A) the cost of materials used;
2878 (B) a labor cost;
2879 (C) a service cost;
2880 (D) interest;
2881 (E) a loss;
2882 (F) the cost of transportation to the seller; or
2883 (G) a tax imposed on the seller;
- 2884 (iii) a charge by the seller for any service necessary to complete the sale; or

- 2885 (iv) consideration a seller receives from a person other than the purchaser if:
- 2886 (A) (I) the seller actually receives consideration from a person other than the
- 2887 purchaser; and
- 2888 (II) the consideration described in Subsection (107)(b)(iv)(A)(I) is directly
- 2889 related to a price reduction or discount on the sale;
- 2890 (B) the seller has an obligation to pass the price reduction or discount through to
- 2891 the purchaser;
- 2892 (C) the amount of the consideration attributable to the sale is fixed and
- 2893 determinable by the seller at the time of the sale to the purchaser; and
- 2894 (D) (I) (Aa) the purchaser presents a certificate, coupon, or other
- 2895 documentation to the seller to claim a price reduction or discount; and
- 2896 (Bb) a person other than the seller authorizes, distributes, or grants the
- 2897 certificate, coupon, or other documentation with the understanding that
- 2898 the person other than the seller will reimburse any seller to whom the
- 2899 certificate, coupon, or other documentation is presented;
- 2900 (II) the purchaser identifies that purchaser to the seller as a member of a group
- 2901 or organization allowed a price reduction or discount, except that a
- 2902 preferred customer card that is available to any patron of a seller does not
- 2903 constitute membership in a group or organization allowed a price reduction
- 2904 or discount; or
- 2905 (III) the price reduction or discount is identified as a third party price reduction
- 2906 or discount on the:
- 2907 (Aa) invoice the purchaser receives; or
- 2908 (Bb) certificate, coupon, or other documentation the purchaser presents.
- 2909 (c) "Purchase price" and "sales price" do not include:
- 2910 (i) a discount:
- 2911 (A) in a form including:
- 2912 (I) cash;
- 2913 (II) term; or
- 2914 (III) coupon;
- 2915 (B) that is allowed by a seller;
- 2916 (C) taken by a purchaser on a sale; and
- 2917 (D) that is not reimbursed by a third party; or
- 2918 (ii) subject to Subsections 59-12-103(2)(f)(ii) and (2)(g)(i), the following if

2919 separately stated on an invoice, bill of sale, or similar document provided to the
2920 purchaser at the time of sale or later, as demonstrated by the books and records the
2921 seller keeps at the time of the transaction in the regular course of business,
2922 including books and records the seller keeps at the time of the transaction in the
2923 regular course of business for nontax purposes, by a preponderance of the facts
2924 and circumstances at the time of the transaction, and by the understanding of all of
2925 the parties to the transaction:

2926 (A) the following from credit extended on the sale of tangible personal property or
2927 services:

2928 (I) a carrying charge;

2929 (II) a financing charge; or

2930 (III) an interest charge;

2931 (B) a delivery charge;

2932 (C) an installation charge;

2933 (D) a manufacturer rebate on a motor vehicle; or

2934 (E) a tax or fee legally imposed directly on the consumer.

2935 (108) "Purchaser" means a person to whom:

2936 (a) a sale of tangible personal property is made;

2937 (b) a product is transferred electronically; or

2938 (c) a service is furnished.

2939 (109) "Qualifying data center" means a data center facility that:

2940 (a) houses a group of networked server computers in one physical location in order to
2941 disseminate, manage, and store data and information;

2942 (b) is located in the state;

2943 (c) is a new operation constructed on or after July 1, 2016;

2944 (d) consists of one or more buildings that total 150,000 or more square feet;

2945 (e) is owned or leased by:

2946 (i) the operator of the data center facility; or

2947 (ii) a person under common ownership, as defined in Section 59-7-101, of the
2948 operator of the data center facility; and

2949 (f) is located on one or more parcels of land that are owned or leased by:

2950 (i) the operator of the data center facility; or

2951 (ii) a person under common ownership, as defined in Section 59-7-101, of the
2952 operator of the data center facility.

2953 (110) "Regularly rented" means:

2954 (a) rented to a guest for value three or more times during a calendar year; or

2955 (b) advertised or held out to the public as a place that is regularly rented to guests for
2956 value.

2957 (111) "Rental" means the same as that term is defined in Subsection (63).

2958 (112) (a) [~~Except as provided in Subsection (112)(b), "repairs"~~] "Repairs or renovations of
2959 tangible personal property" means:

2960 (i) a repair or renovation of tangible personal property that is not permanently
2961 attached to real property; or

2962 (ii) attaching tangible personal property or a product transferred electronically to
2963 other tangible personal property or detaching tangible personal property or a
2964 product transferred electronically from other tangible personal property if:

2965 (A) the other tangible personal property to which the tangible personal property or
2966 product transferred electronically is attached or from which the tangible
2967 personal property or product transferred electronically is detached is not
2968 permanently attached to real property; and

2969 (B) the attachment of tangible personal property or a product transferred
2970 electronically to other tangible personal property or detachment of tangible
2971 personal property or a product transferred electronically from other tangible
2972 personal property is made in conjunction with a repair or replacement of
2973 tangible personal property or a product transferred electronically.

2974 (b) "Repairs or renovations of tangible personal property" does not include:

2975 (i) attaching prewritten computer software to other tangible personal property if the
2976 other tangible personal property to which the prewritten computer software is
2977 attached is not permanently attached to real property; or

2978 (ii) detaching prewritten computer software from other tangible personal property if
2979 the other tangible personal property from which the prewritten computer software
2980 is detached is not permanently attached to real property.

2981 (113) "Research and development" means the process of inquiry or experimentation aimed
2982 at the discovery of facts, devices, technologies, or applications and the process of
2983 preparing those devices, technologies, or applications for marketing.

2984 (114) (a) "Residential telecommunications services" means a telecommunications
2985 service or an ancillary service that is provided to an individual for personal use:

2986 (i) at a residential address; or

2987 (ii) at an institution, including a nursing home or a school, if the telecommunications
2988 service or ancillary service is provided to and paid for by the individual residing at
2989 the institution rather than the institution.

2990 (b) For purposes of Subsection (114)(a)(i), a residential address includes an:

2991 (i) apartment; or

2992 (ii) other individual dwelling unit.

2993 (115) "Residential use" means the use in or around a home, apartment building, sleeping
2994 quarters, and similar facilities or accommodations.

2995 (116) "Retail sale" or "sale at retail" means a sale, lease, or rental for a purpose other than:

2996 (a) resale;

2997 (b) sublease; or

2998 (c) subrent.

2999 (117) (a) "Retailer" means any person, unless prohibited by the Constitution of the
3000 United States or federal law, that is engaged in a regularly organized business in
3001 tangible personal property or any other taxable transaction under Subsection
3002 59-12-103(1), and who is selling to the user or consumer and not for resale.

3003 (b) "Retailer" includes commission merchants, auctioneers, and any person regularly
3004 engaged in the business of selling to users or consumers within the state.

3005 (118) (a) "Sale" means any transfer of title, exchange, or barter, conditional or
3006 otherwise, in any manner, of tangible personal property or any other taxable
3007 transaction under Subsection 59-12-103(1), for consideration.

3008 (b) "Sale" includes:

3009 (i) installment and credit sales;

3010 (ii) any closed transaction constituting a sale;

3011 (iii) any sale of electrical energy, gas, services, or entertainment taxable under this
3012 chapter;

3013 (iv) any transaction if the possession of property is transferred but the seller retains
3014 the title as security for the payment of the price; and

3015 (v) any transaction under which right to possession, operation, or use of any article of
3016 tangible personal property is granted under a lease or contract and the transfer of
3017 possession would be taxable if an outright sale were made.

3018 (119) "Sale at retail" means the same as that term is defined in Subsection (116).

3019 (120) "Sale-leaseback transaction" means a transaction by which title to tangible personal
3020 property or a product transferred electronically that is subject to a tax under this chapter

- 3021 is transferred:
- 3022 (a) by a purchaser-lessee;
- 3023 (b) to a lessor;
- 3024 (c) for consideration; and
- 3025 (d) if:
- 3026 (i) the purchaser-lessee paid sales and use tax on the purchaser-lessee's initial
- 3027 purchase of the tangible personal property or product transferred electronically;
- 3028 (ii) the sale of the tangible personal property or product transferred electronically to
- 3029 the lessor is intended as a form of financing:
- 3030 (A) for the tangible personal property or product transferred electronically; and
- 3031 (B) to the purchaser-lessee; and
- 3032 (iii) in accordance with generally accepted accounting principles, the
- 3033 purchaser-lessee is required to:
- 3034 (A) capitalize the tangible personal property or product transferred electronically
- 3035 for financial reporting purposes; and
- 3036 (B) account for the lease payments as payments made under a financing
- 3037 arrangement.
- 3038 (121) "Sales price" means the same as that term is defined in Subsection (107).
- 3039 (122) (a) "Sales relating to schools" means the following sales by, amounts paid to, or
- 3040 amounts charged by a school:
- 3041 (i) sales that are directly related to the school's educational functions or activities
- 3042 including:
- 3043 (A) the sale of:
- 3044 (I) textbooks;
- 3045 (II) textbook fees;
- 3046 (III) laboratory fees;
- 3047 (IV) laboratory supplies; or
- 3048 (V) safety equipment;
- 3049 (B) the sale of a uniform, protective equipment, or sports or recreational
- 3050 equipment that:
- 3051 (I) a student is specifically required to wear as a condition of participation in a
- 3052 school-related event or school-related activity; and
- 3053 (II) is not readily adaptable to general or continued usage to the extent that it
- 3054 takes the place of ordinary clothing;

- 3055 (C) sales of the following if the net or gross [~~revenues~~] revenue generated by the
3056 sales [~~are~~] is deposited into a school district fund or school fund dedicated to
3057 school meals:
- 3058 (I) food and food ingredients; or
3059 (II) prepared food; or
- 3060 (D) transportation charges for official school activities; or
- 3061 (ii) amounts paid to or amounts charged by a school for admission to a school-related
3062 event or school-related activity.
- 3063 (b) "Sales relating to schools" does not include:
- 3064 (i) bookstore sales of items that are not educational materials or supplies;
- 3065 (ii) except as provided in Subsection (122)(a)(i)(B):
- 3066 (A) clothing;
- 3067 (B) clothing accessories or equipment;
- 3068 (C) protective equipment; or
- 3069 (D) sports or recreational equipment; or
- 3070 (iii) amounts paid to or amounts charged by a school for admission to a
3071 school-related event or school-related activity if the amounts paid or charged are
3072 passed through to a person:
- 3073 (A) other than a:
- 3074 (I) school;
- 3075 (II) nonprofit organization authorized by a school board or a governing body of
3076 a private school to organize and direct a competitive secondary school
3077 activity; or
- 3078 (III) nonprofit association authorized by a school board or a governing body of
3079 a private school to organize and direct a competitive secondary school
3080 activity; and
- 3081 (B) that is required to collect sales and use taxes under this chapter.
- 3082 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
3083 commission may make rules defining the term "passed through."
- 3084 (123) For purposes of this section and Section 59-12-104, "school" means:
- 3085 (a) an elementary school or a secondary school that:
- 3086 (i) is a:
- 3087 (A) public school; or
- 3088 (B) private school; and

- 3089 (ii) provides instruction for one or more grades kindergarten through 12; or
3090 (b) a public school district.
- 3091 (124) (a) "Seller" means a person that makes a sale, lease, or rental of:
3092 (i) tangible personal property;
3093 (ii) a product transferred electronically; or
3094 (iii) a service.
- 3095 (b) "Seller" includes a marketplace facilitator.
- 3096 (125) (a) "Semiconductor fabricating, processing, research, or development materials"
3097 means tangible personal property or a product transferred electronically if the
3098 tangible personal property or product transferred electronically is:
3099 (i) used primarily in the process of:
3100 (A) (I) manufacturing a semiconductor;
3101 (II) fabricating a semiconductor; or
3102 (III) research or development of a:
3103 (Aa) semiconductor; or
3104 (Bb) semiconductor manufacturing process; or
3105 (B) maintaining an environment suitable for a semiconductor; or
3106 (ii) consumed primarily in the process of:
3107 (A) (I) manufacturing a semiconductor;
3108 (II) fabricating a semiconductor; or
3109 (III) research or development of a:
3110 (Aa) semiconductor; or
3111 (Bb) semiconductor manufacturing process; or
3112 (B) maintaining an environment suitable for a semiconductor.
- 3113 (b) "Semiconductor fabricating, processing, research, or development materials"
3114 includes:
3115 (i) parts used in the repairs or renovations of tangible personal property or a product
3116 transferred electronically described in Subsection (125)(a); or
3117 (ii) a chemical, catalyst, or other material used to:
3118 (A) produce or induce in a semiconductor a:
3119 (I) chemical change; or
3120 (II) physical change;
3121 (B) remove impurities from a semiconductor; or
3122 (C) improve the marketable condition of a semiconductor.

- 3123 (126) "Senior citizen center" means a facility having the primary purpose of providing
3124 services to the aged as defined in Section 26B-6-101.
- 3125 (127) "Shared vehicle" means the same as that term is defined in Section 13-48a-101.
- 3126 (128) "Shared vehicle driver" means the same as that term is defined in Section 13-48a-101.
- 3127 (129) "Shared vehicle owner" means the same as that term is defined in Section 13-48a-101.
- 3128 (130) (a) Subject to Subsections (130)(b) and (c), "short-term lodging consumable"
3129 means tangible personal property that:
- 3130 (i) a business that provides accommodations and services described in Subsection
3131 59-12-103(1)(i) purchases as part of a transaction to provide the accommodations
3132 and services to a purchaser;
- 3133 (ii) is intended to be consumed by the purchaser; and
- 3134 (iii) is:
- 3135 (A) included in the purchase price of the accommodations and services; and
3136 (B) not separately stated on an invoice, bill of sale, or other similar document
3137 provided to the purchaser.
- 3138 (b) "Short-term lodging consumable" includes:
- 3139 (i) a beverage;
- 3140 (ii) a brush or comb;
- 3141 (iii) a cosmetic;
- 3142 (iv) a hair care product;
- 3143 (v) lotion;
- 3144 (vi) a magazine;
- 3145 (vii) makeup;
- 3146 (viii) a meal;
- 3147 (ix) mouthwash;
- 3148 (x) nail polish remover;
- 3149 (xi) a newspaper;
- 3150 (xii) a notepad;
- 3151 (xiii) a pen;
- 3152 (xiv) a pencil;
- 3153 (xv) a razor;
- 3154 (xvi) saline solution;
- 3155 (xvii) a sewing kit;
- 3156 (xviii) shaving cream;

- 3157 (xix) a shoe shine kit;
3158 (xx) a shower cap;
3159 (xxi) a snack item;
3160 (xxii) soap;
3161 (xxiii) toilet paper;
3162 (xxiv) a toothbrush;
3163 (xxv) toothpaste; or
3164 (xxvi) an item similar to Subsections (130)(b)(i) through (xxv) as the commission
3165 may provide by rule made in accordance with Title 63G, Chapter 3, Utah
3166 Administrative Rulemaking Act.
- 3167 (c) "Short-term lodging consumable" does not include:
3168 (i) tangible personal property that is cleaned or washed to allow the tangible personal
3169 property to be reused; or
3170 (ii) a product transferred electronically.
- 3171 (131) (a) "Short-term rental" means a lease or rental for less than 30 consecutive days.
3172 (b) "Short-term rental" does not include car sharing.
- 3173 ~~[(131)]~~ (132) "Simplified electronic return" means the electronic return:
3174 (a) described in Section 318(C) of the agreement; and
3175 (b) approved by the governing board of the agreement.
- 3176 ~~[(132)]~~ (133) "Solar energy" means the sun used as the sole source of energy for producing
3177 electricity.
- 3178 ~~[(133)]~~ (134) (a) "Sports or recreational equipment" means an item:
3179 (i) designed for human use; and
3180 (ii) that is:
3181 (A) worn in conjunction with:
3182 (I) an athletic activity; or
3183 (II) a recreational activity; and
3184 (B) not suitable for general use.
- 3185 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
3186 commission shall make rules:
3187 (i) listing the items that constitute "sports or recreational equipment"; and
3188 (ii) that are consistent with the list of items that constitute "sports or recreational
3189 equipment" under the agreement.
- 3190 ~~[(134)]~~ (135) "State" means the state of Utah, its departments, and agencies.

- 3191 ~~[(135)]~~ (136) "Storage" means any keeping or retention of tangible personal property or any
3192 other taxable transaction under Subsection 59-12-103(1), in this state for any purpose
3193 except sale in the regular course of business.
- 3194 ~~[(136)]~~ (137) (a) ~~[Except as provided in Subsection (136)(d) or (e), "tangible"]~~ "Tangible
3195 personal property" means personal property that:
- 3196 (i) may be:
- 3197 (A) seen;
- 3198 (B) weighed;
- 3199 (C) measured;
- 3200 (D) felt; or
- 3201 (E) touched; or
- 3202 (ii) is in any manner perceptible to the senses.
- 3203 (b) "Tangible personal property" includes:
- 3204 (i) electricity;
- 3205 (ii) water;
- 3206 (iii) gas;
- 3207 (iv) steam; or
- 3208 (v) prewritten computer software, regardless of the manner in which the prewritten
3209 computer software is transferred.
- 3210 (c) "Tangible personal property" includes the following regardless of whether the item is
3211 attached to real property:
- 3212 (i) a dishwasher;
- 3213 (ii) a dryer;
- 3214 (iii) a freezer;
- 3215 (iv) a microwave;
- 3216 (v) a refrigerator;
- 3217 (vi) a stove;
- 3218 (vii) a washer; or
- 3219 (viii) an item similar to Subsections ~~[(136)(e)(i)]~~ (137)(c)(i) through (vii) as
3220 determined by the commission by rule made in accordance with Title 63G,
3221 Chapter 3, Utah Administrative Rulemaking Act.
- 3222 (d) "Tangible personal property" does not include a product that is transferred
3223 electronically.
- 3224 (e) "Tangible personal property" does not include the following if attached to real

3225 property, regardless of whether the attachment to real property is only through a line
 3226 that supplies water, electricity, gas, telephone, cable, or supplies a similar item as
 3227 determined by the commission by rule made in accordance with Title 63G, Chapter 3,
 3228 Utah Administrative Rulemaking Act:

- 3229 (i) a hot water heater;
- 3230 (ii) a water filtration system; or
- 3231 (iii) a water softener system.

3232 ~~[(137)]~~ (138) (a) "Telecommunications enabling or facilitating equipment, machinery, or
 3233 software" means an item listed in Subsection ~~[(137)(b)]~~ (138)(b) if that item is
 3234 purchased or leased primarily to enable or facilitate one or more of the following to
 3235 function:

- 3236 (i) telecommunications switching or routing equipment, machinery, or software; or
- 3237 (ii) telecommunications transmission equipment, machinery, or software.

3238 (b) The following apply to Subsection ~~[(137)(a)]~~ (138)(a):

- 3239 (i) a pole;
- 3240 (ii) software;
- 3241 (iii) a supplementary power supply;
- 3242 (iv) temperature or environmental equipment or machinery;
- 3243 (v) test equipment;
- 3244 (vi) a tower; or
- 3245 (vii) equipment, machinery, or software that functions similarly to an item listed in
 3246 Subsections ~~[(137)(b)(i)]~~ (138)(b)(i) through (vi) as determined by the commission
 3247 by rule made in accordance with Subsection ~~[(137)(c)]~~ (138)(c).

3248 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 3249 commission may by rule define what constitutes equipment, machinery, or software
 3250 that functions similarly to an item listed in Subsections ~~[(137)(b)(i)]~~ (138)(b)(i)
 3251 through (vi).

3252 ~~[(138)]~~ (139) "Telecommunications equipment, machinery, or software required for 911
 3253 service" means equipment, machinery, or software that is required to comply with 47
 3254 C.F.R. Sec. 20.18.

3255 ~~[(139)]~~ (140) "Telecommunications maintenance or repair equipment, machinery, or
 3256 software" means equipment, machinery, or software purchased or leased primarily to
 3257 maintain or repair one or more of the following, regardless of whether the equipment,
 3258 machinery, or software is purchased or leased as a spare part or as an upgrade or

- 3259 modification to one or more of the following:
- 3260 (a) telecommunications enabling or facilitating equipment, machinery, or software;
- 3261 (b) telecommunications switching or routing equipment, machinery, or software; or
- 3262 (c) telecommunications transmission equipment, machinery, or software.
- 3263 ~~[(140)]~~ (141) (a) "Telecommunications service" means the electronic conveyance,
- 3264 routing, or transmission of audio, data, video, voice, or any other information or
- 3265 signal to a point, or among or between points.
- 3266 (b) "Telecommunications service" includes:
- 3267 (i) an electronic conveyance, routing, or transmission with respect to which a
- 3268 computer processing application is used to act:
- 3269 (A) on the code, form, or protocol of the content;
- 3270 (B) for the purpose of electronic conveyance, routing, or transmission; and
- 3271 (C) regardless of whether the service:
- 3272 (I) is referred to as voice over Internet protocol service; or
- 3273 (II) is classified by the Federal Communications Commission as enhanced or
- 3274 value added;
- 3275 (ii) an 800 service;
- 3276 (iii) a 900 service;
- 3277 (iv) a fixed wireless service;
- 3278 (v) a mobile wireless service;
- 3279 (vi) a postpaid calling service;
- 3280 (vii) a prepaid calling service;
- 3281 (viii) a prepaid wireless calling service; or
- 3282 (ix) a private communications service.
- 3283 (c) "Telecommunications service" does not include:
- 3284 (i) advertising, including directory advertising;
- 3285 (ii) an ancillary service;
- 3286 (iii) a billing and collection service provided to a third party;
- 3287 (iv) a data processing and information service if:
- 3288 (A) the data processing and information service allows data to be:
- 3289 (I) (Aa) acquired;
- 3290 (Bb) generated;
- 3291 (Cc) processed;
- 3292 (Dd) retrieved; or

- 3293 (Ee) stored; and
- 3294 (II) delivered by an electronic transmission to a purchaser; and
- 3295 (B) the purchaser's primary purpose for the underlying transaction is the processed
- 3296 data or information;
- 3297 (v) installation or maintenance of the following on a customer's premises:
- 3298 (A) equipment; or
- 3299 (B) wiring;
- 3300 (vi) Internet access service;
- 3301 (vii) a paging service;
- 3302 (viii) a product transferred electronically, including:
- 3303 (A) music;
- 3304 (B) reading material;
- 3305 (C) a ring tone;
- 3306 (D) software; or
- 3307 (E) video;
- 3308 (ix) a radio and television audio and video programming service:
- 3309 (A) regardless of the medium; and
- 3310 (B) including:
- 3311 (I) furnishing conveyance, routing, or transmission of a television audio and
- 3312 video programming service by a programming service provider;
- 3313 (II) cable service as defined in 47 U.S.C. Sec. 522(6); or
- 3314 (III) audio and video programming services delivered by a commercial mobile
- 3315 radio service provider as defined in 47 C.F.R. Sec. 20.3;
- 3316 (x) a value-added nonvoice data service; or
- 3317 (xi) tangible personal property.
- 3318 ~~[(141)]~~ (142) (a) "Telecommunications service provider" means a person that:
- 3319 (i) owns, controls, operates, or manages a telecommunications service; and
- 3320 (ii) engages in an activity described in Subsection ~~[(141)(a)(i)]~~ (142)(a)(i) for the
- 3321 shared use with or resale to any person of the telecommunications service.
- 3322 (b) A person described in Subsection ~~[(141)(a)]~~ (142)(a) is a telecommunications service
- 3323 provider whether or not the Public Service Commission of Utah regulates:
- 3324 (i) that person; or
- 3325 (ii) the telecommunications service that the person owns, controls, operates, or
- 3326 manages.

- 3327 ~~[(142)]~~ (143) (a) "Telecommunications switching or routing equipment, machinery, or
3328 software" means an item listed in Subsection ~~[(142)(b)]~~ (143)(b) if that item is
3329 purchased or leased primarily for switching or routing:
- 3330 (i) an ancillary service;
 - 3331 (ii) data communications;
 - 3332 (iii) voice communications; or
 - 3333 (iv) telecommunications service.
- 3334 (b) The following apply to Subsection ~~[(142)(a)]~~ (143)(a):
- 3335 (i) a bridge;
 - 3336 (ii) a computer;
 - 3337 (iii) a cross connect;
 - 3338 (iv) a modem;
 - 3339 (v) a multiplexer;
 - 3340 (vi) plug in circuitry;
 - 3341 (vii) a router;
 - 3342 (viii) software;
 - 3343 (ix) a switch; or
 - 3344 (x) equipment, machinery, or software that functions similarly to an item listed in
3345 Subsections ~~[(142)(b)(i)]~~ (143)(b)(i) through (ix) as determined by the commission
3346 by rule made in accordance with Subsection ~~[(142)(e)]~~ (143)(c).
- 3347 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
3348 commission may by rule define what constitutes equipment, machinery, or software
3349 that functions similarly to an item listed in Subsections ~~[(142)(b)(i)]~~ (143)(b)(i)
3350 through (ix).
- 3351 ~~[(143)]~~ (144) (a) "Telecommunications transmission equipment, machinery, or software"
3352 means an item listed in Subsection ~~[(143)(b)]~~ (144)(b) if that item is purchased or
3353 leased primarily for sending, receiving, or transporting:
- 3354 (i) an ancillary service;
 - 3355 (ii) data communications;
 - 3356 (iii) voice communications; or
 - 3357 (iv) telecommunications service.
- 3358 (b) The following apply to Subsection ~~[(143)(a)]~~ (144)(a):
- 3359 (i) an amplifier;
 - 3360 (ii) a cable;

- 3361 (iii) a closure;
 3362 (iv) a conduit;
 3363 (v) a controller;
 3364 (vi) a duplexer;
 3365 (vii) a filter;
 3366 (viii) an input device;
 3367 (ix) an input/output device;
 3368 (x) an insulator;
 3369 (xi) microwave machinery or equipment;
 3370 (xii) an oscillator;
 3371 (xiii) an output device;
 3372 (xiv) a pedestal;
 3373 (xv) a power converter;
 3374 (xvi) a power supply;
 3375 (xvii) a radio channel;
 3376 (xviii) a radio receiver;
 3377 (xix) a radio transmitter;
 3378 (xx) a repeater;
 3379 (xxi) software;
 3380 (xxii) a terminal;
 3381 (xxiii) a timing unit;
 3382 (xxiv) a transformer;
 3383 (xxv) a wire; or
 3384 (xxvi) equipment, machinery, or software that functions similarly to an item listed in
 3385 Subsections ~~[(143)(b)(i)]~~ (144)(b)(i) through (xxv) as determined by the
 3386 commission by rule made in accordance with Subsection ~~[(143)(e)]~~ (144)(c).
 3387 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 3388 commission may by rule define what constitutes equipment, machinery, or software
 3389 that functions similarly to an item listed in Subsections ~~[(143)(b)(i)]~~ (144)(b)(i)
 3390 through (xxv).
 3391 ~~[(144)]~~ (145) (a) "Textbook for a higher education course" means a textbook or other
 3392 printed material that is required for a course:
 3393 (i) offered by an institution of higher education; and
 3394 (ii) that the purchaser of the textbook or other printed material attends or will attend.

- 3395 (b) "Textbook for a higher education course" includes a textbook in electronic format.
- 3396 ~~[(145)]~~ (146) "Tobacco" means:
- 3397 (a) a cigarette;
- 3398 (b) a cigar;
- 3399 (c) chewing tobacco;
- 3400 (d) pipe tobacco; or
- 3401 (e) any other item that contains tobacco.
- 3402 ~~[(146)]~~ (147) "Unassisted amusement device" means an amusement device, skill device, or
- 3403 ride device that is started and stopped by the purchaser or renter of the right to use or
- 3404 operate the amusement device, skill device, or ride device.
- 3405 ~~[(147)]~~ (148) (a) "Use" means the exercise of any right or power over tangible personal
- 3406 property, a product transferred electronically, or a service under Subsection 59-12-103
- 3407 (1), incident to the ownership or the leasing of that tangible personal property,
- 3408 product transferred electronically, or service.
- 3409 (b) "Use" does not include the sale, display, demonstration, or trial of tangible personal
- 3410 property, a product transferred electronically, or a service in the regular course of
- 3411 business and held for resale.
- 3412 ~~[(148)]~~ (149) "Value-added nonvoice data service" means a service:
- 3413 (a) that otherwise meets the definition of a telecommunications service except that a
- 3414 computer processing application is used to act primarily for a purpose other than
- 3415 conveyance, routing, or transmission; and
- 3416 (b) with respect to which a computer processing application is used to act on data or
- 3417 information:
- 3418 (i) code;
- 3419 (ii) content;
- 3420 (iii) form; or
- 3421 (iv) protocol.
- 3422 ~~[(149)]~~ (150) (a) Subject to Subsection ~~[(149)(b)]~~ (150)(b), "vehicle" means the following
- 3423 that are required to be titled, registered, or titled and registered:
- 3424 (i) an aircraft as defined in Section 72-10-102;
- 3425 (ii) a vehicle as defined in Section 41-1a-102;
- 3426 (iii) an off-highway vehicle as defined in Section 41-22-2; or
- 3427 (iv) a vessel as defined in Section 41-1a-102.
- 3428 (b) For purposes of Subsection 59-12-104(33) only, "vehicle" includes:

- 3429 (i) a vehicle described in Subsection ~~[(149)(a)]~~ (150)(a); or
- 3430 (ii) (A) a locomotive;
- 3431 (B) a freight car;
- 3432 (C) railroad work equipment; or
- 3433 (D) other railroad rolling stock.
- 3434 ~~[(150)]~~ (151) "Vehicle dealer" means a person engaged in the business of buying, selling, or
- 3435 exchanging a vehicle as defined in Subsection ~~[(149)]~~ (150).
- 3436 ~~[(151)]~~ (152) (a) "Vertical service" means an ancillary service that:
- 3437 (i) is offered in connection with one or more telecommunications services; and
- 3438 (ii) offers an advanced calling feature that allows a customer to:
- 3439 (A) identify a caller; and
- 3440 (B) manage multiple calls and call connections.
- 3441 (b) "Vertical service" includes an ancillary service that allows a customer to manage a
- 3442 conference bridging service.
- 3443 ~~[(152)]~~ (153) (a) "Voice mail service" means an ancillary service that enables a customer
- 3444 to receive, send, or store a recorded message.
- 3445 (b) "Voice mail service" does not include a vertical service that a customer is required to
- 3446 have in order to utilize a voice mail service.
- 3447 ~~[(153)]~~ (154) (a) ~~[Except as provided in Subsection (153)(b), "waste"]~~ "Waste energy
- 3448 facility" means a facility that generates electricity:
- 3449 (i) using as the primary source of energy waste materials that would be placed in a
- 3450 landfill or refuse pit if it were not used to generate electricity, including:
- 3451 (A) tires;
- 3452 (B) waste coal;
- 3453 (C) oil shale; or
- 3454 (D) municipal solid waste; and
- 3455 (ii) in amounts greater than actually required for the operation of the facility.
- 3456 (b) "Waste energy facility" does not include a facility that incinerates:
- 3457 (i) hospital waste as defined in 40 C.F.R. 60.51c; or
- 3458 (ii) medical/infectious waste as defined in 40 C.F.R. 60.51c.
- 3459 ~~[(154)]~~ (155) "Watercraft" means a vessel as defined in Section 73-18-2.
- 3460 ~~[(155)]~~ (156) "Wind energy" means wind used as the sole source of energy to produce
- 3461 electricity.
- 3462 ~~[(156)]~~ (157) "ZIP Code" means a Zoning Improvement Plan Code assigned to a geographic

3463 location by the United States Postal Service.

3464 Section 4. Section **59-12-103** is amended to read:

3465 **59-12-103 (Contingently Superseded 01/01/25). Sales and use tax base -- Rates --**
3466 **Effective dates -- Use of sales and use tax revenue.**

3467 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or sales
3468 price for amounts paid or charged for the following transactions:

3469 (a) retail sales of tangible personal property made within the state;

3470 (b) amounts paid for:

3471 (i) telecommunications service, other than mobile telecommunications service, that
3472 originates and terminates within the boundaries of this state;

3473 (ii) mobile telecommunications service that originates and terminates within the
3474 boundaries of one state only to the extent permitted by the Mobile

3475 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

3476 (iii) an ancillary service associated with a:

3477 (A) telecommunications service described in Subsection (1)(b)(i); or

3478 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

3479 (c) sales of the following for commercial use:

3480 (i) gas;

3481 (ii) electricity;

3482 (iii) heat;

3483 (iv) coal;

3484 (v) fuel oil; or

3485 (vi) other fuels;

3486 (d) sales of the following for residential use:

3487 (i) gas;

3488 (ii) electricity;

3489 (iii) heat;

3490 (iv) coal;

3491 (v) fuel oil; or

3492 (vi) other fuels;

3493 (e) sales of prepared food;

3494 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
3495 user fees for theaters, movies, operas, museums, planetariums, shows of any type or
3496 nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,

- 3497 menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling
3498 matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling
3499 lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts,
3500 ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides,
3501 river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or
3502 any other amusement, entertainment, recreation, exhibition, cultural, or athletic
3503 activity;
- 3504 (g) amounts paid or charged for services for repairs or renovations of tangible personal
3505 property, unless Section 59-12-104 provides for an exemption from sales and use tax
3506 for:
- 3507 (i) the tangible personal property; and
3508 (ii) parts used in the repairs or renovations of the tangible personal property described
3509 in Subsection (1)(g)(i), regardless of whether:
- 3510 (A) any parts are actually used in the repairs or renovations of that tangible
3511 personal property; or
3512 (B) the particular parts used in the repairs or renovations of that tangible personal
3513 property are exempt from a tax under this chapter;
- 3514 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for assisted
3515 cleaning or washing of tangible personal property;
- 3516 (i) amounts paid or charged for short-term rentals of tourist home, hotel, motel, or trailer
3517 court accommodations and services~~[that are regularly rented for less than 30~~
3518 ~~consecutive days]~~;
- 3519 (j) amounts paid or charged for laundry or dry cleaning services;
- 3520 (k) amounts paid or charged for leases or rentals of tangible personal property if within
3521 this state the tangible personal property is:
- 3522 (i) stored;
3523 (ii) used; or
3524 (iii) otherwise consumed;
- 3525 (l) amounts paid or charged for tangible personal property if within this state the tangible
3526 personal property is:
- 3527 (i) stored;
3528 (ii) used; or
3529 (iii) consumed;
- 3530 (m) amounts paid or charged for a sale:

- 3531 (i) (A) of a product transferred electronically; or
3532 (B) of a repair or renovation of a product transferred electronically; and
3533 (ii) regardless of whether the sale provides:
3534 (A) a right of permanent use of the product; or
3535 (B) a right to use the product that is less than a permanent use, including a right:
3536 (I) for a definite or specified length of time; and
3537 (II) that terminates upon the occurrence of a condition; and
3538 (n) sales of leased tangible personal property from the lessor to the lessee made in the
3539 state.
- 3540 (2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
3541 are imposed on a transaction described in Subsection (1) equal to the sum of:
3542 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
3543 (A) 4.70% plus the rate specified in Subsection (11)(a); and
3544 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional
3545 State Sales and Use Tax Act, if the location of the transaction as determined
3546 under Sections 59-12-211 through 59-12-215 is in a county in which the
3547 state imposes the tax under Part 18, Additional State Sales and Use Tax Act;
3548 and
3549 (II) the tax rate the state imposes in accordance with Part 20, Supplemental
3550 State Sales and Use Tax Act, if the location of the transaction as determined
3551 under Sections 59-12-211 through 59-12-215 is in a city, town, or the
3552 unincorporated area of a county in which the state imposes the tax under
3553 Part 20, Supplemental State Sales and Use Tax Act; and
3554 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
3555 transaction under this chapter other than this part.
- 3556 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state
3557 tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal
3558 to the sum of:
3559 (i) a state tax imposed on the transaction at a tax rate of 2%; and
3560 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
3561 transaction under this chapter other than this part.
- 3562 (c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are imposed
3563 on amounts paid or charged for food and food ingredients equal to the sum of:
3564 (i) a state tax imposed on the amounts paid or charged for food and food ingredients

- 3565 at a tax rate of 1.75%; and
- 3566 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 3567 amounts paid or charged for food and food ingredients under this chapter other
- 3568 than this part.
- 3569 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid
- 3570 or charged for fuel to a common carrier that is a railroad for use in a locomotive
- 3571 engine at a rate of 4.85%.
- 3572 (e) (i) (A) If a shared vehicle owner certifies to the commission, on a form
- 3573 prescribed by the commission, that the shared vehicle is an individual-owned
- 3574 shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to
- 3575 car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle
- 3576 owner.
- 3577 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is
- 3578 required once during the time that the shared vehicle owner owns the shared
- 3579 vehicle.
- 3580 (C) The commission shall verify that a shared vehicle is an individual-owned
- 3581 shared vehicle by verifying that the applicable Utah taxes imposed under this
- 3582 chapter were paid on the purchase of the shared vehicle.
- 3583 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified
- 3584 individual-owned shared vehicle shared through a car-sharing program even if
- 3585 non-certified shared vehicles are also available to be shared through the same
- 3586 car-sharing program.
- 3587 (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.
- 3588 (iii) (A) A car-sharing program may rely in good faith on a shared vehicle owner's
- 3589 representation that the shared vehicle is an individual-owned shared vehicle
- 3590 certified with the commission as described in Subsection (2)(e)(i).
- 3591 (B) If a car-sharing program relies in good faith on a shared vehicle owner's
- 3592 representation that the shared vehicle is an individual-owned shared vehicle
- 3593 certified with the commission as described in Subsection (2)(e)(i), the
- 3594 car-sharing program is not liable for any tax, penalty, fee, or other sanction
- 3595 imposed on the shared vehicle owner.
- 3596 (iv) If all shared vehicles shared through a car-sharing program are certified as
- 3597 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has
- 3598 no obligation to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax

- 3599 period.
- 3600 (v) ~~[(A)]~~ A car-sharing program is not required to list or otherwise identify an
- 3601 individual-owned shared vehicle on a return or an attachment to a return.
- 3602 (vi) A car-sharing program shall:
- 3603 (A) retain tax information for each car-sharing program transaction; and
- 3604 (B) provide the information described in Subsection (2)(e)(vi)(A) to the
- 3605 commission at the commission's request.
- 3606 (f) (i) For a bundled transaction that is attributable to food and food ingredients and
- 3607 tangible personal property other than food and food ingredients, a state tax and a
- 3608 local tax is imposed on the entire bundled transaction equal to the sum of:
- 3609 (A) a state tax imposed on the entire bundled transaction equal to the sum of:
- 3610 (I) the tax rate described in Subsection (2)(a)(i)(A); and
- 3611 (II) (Aa) the tax rate the state imposes in accordance with Part 18,
- 3612 Additional State Sales and Use Tax Act, if the location of the transaction
- 3613 as determined under Sections 59-12-211 through 59-12-215 is in a
- 3614 county in which the state imposes the tax under Part 18, Additional State
- 3615 Sales and Use Tax Act; and
- 3616 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental
- 3617 State Sales and Use Tax Act, if the location of the transaction as
- 3618 determined under Sections 59-12-211 through 59-12-215 is in a city,
- 3619 town, or the unincorporated area of a county in which the state imposes
- 3620 the tax under Part 20, Supplemental State Sales and Use Tax Act; and
- 3621 (B) a local tax imposed on the entire bundled transaction at the sum of the tax
- 3622 rates described in Subsection (2)(a)(ii).
- 3623 (ii) If an optional computer software maintenance contract is a bundled transaction
- 3624 that consists of taxable and nontaxable products that are not separately itemized
- 3625 on an invoice or similar billing document, the purchase of the optional computer
- 3626 software maintenance contract is 40% taxable under this chapter and 60%
- 3627 nontaxable under this chapter.
- 3628 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
- 3629 transaction described in Subsection (2)(f)(i) or (ii):
- 3630 (A) if the sales price of the bundled transaction is attributable to tangible personal
- 3631 property, a product, or a service that is subject to taxation under this chapter
- 3632 and tangible personal property, a product, or service that is not subject to

- 3633 taxation under this chapter, the entire bundled transaction is subject to taxation
3634 under this chapter unless:
- 3635 (I) the seller is able to identify by reasonable and verifiable standards the
3636 tangible personal property, product, or service that is not subject to taxation
3637 under this chapter from the books and records the seller keeps in the seller's
3638 regular course of business; or
- 3639 (II) state or federal law provides otherwise; or
- 3640 (B) if the sales price of a bundled transaction is attributable to two or more items
3641 of tangible personal property, products, or services that are subject to taxation
3642 under this chapter at different rates, the entire bundled transaction is subject to
3643 taxation under this chapter at the higher tax rate unless:
- 3644 (I) the seller is able to identify by reasonable and verifiable standards the
3645 tangible personal property, product, or service that is subject to taxation
3646 under this chapter at the lower tax rate from the books and records the seller
3647 keeps in the seller's regular course of business; or
- 3648 (II) state or federal law provides otherwise.
- 3649 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the
3650 seller's regular course of business includes books and records the seller keeps in
3651 the regular course of business for nontax purposes.
- 3652 (g) (i) Except as otherwise provided in this chapter and subject to Subsections
3653 (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible
3654 personal property, a product, or a service that is subject to taxation under this
3655 chapter, and the sale, lease, or rental of tangible personal property, other property,
3656 a product, or a service that is not subject to taxation under this chapter, the entire
3657 transaction is subject to taxation under this chapter unless the seller, at the time of
3658 the transaction:
- 3659 (A) separately states the portion of the transaction that is not subject to taxation
3660 under this chapter on an invoice, bill of sale, or similar document provided to
3661 the purchaser; or
- 3662 (B) is able to identify by reasonable and verifiable standards, from the books and
3663 records the seller keeps in the seller's regular course of business, the portion of
3664 the transaction that is not subject to taxation under this chapter.
- 3665 (ii) A purchaser and a seller may correct the taxability of a transaction if:
- 3666 (A) after the transaction occurs, the purchaser and the seller discover that the

- 3667 portion of the transaction that is not subject to taxation under this chapter was
3668 not separately stated on an invoice, bill of sale, or similar document provided
3669 to the purchaser because of an error or ignorance of the law; and
- 3670 (B) the seller is able to identify by reasonable and verifiable standards, from the
3671 books and records the seller keeps in the seller's regular course of business, the
3672 portion of the transaction that is not subject to taxation under this chapter.
- 3673 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller
3674 keeps in the seller's regular course of business includes books and records the
3675 seller keeps in the regular course of business for nontax purposes.
- 3676 (h) (i) If the sales price of a transaction is attributable to two or more items of
3677 tangible personal property, products, or services that are subject to taxation under
3678 this chapter at different rates, the entire purchase is subject to taxation under this
3679 chapter at the higher tax rate unless the seller, at the time of the transaction:
- 3680 (A) separately states the items subject to taxation under this chapter at each of the
3681 different rates on an invoice, bill of sale, or similar document provided to the
3682 purchaser; or
- 3683 (B) is able to identify by reasonable and verifiable standards the tangible personal
3684 property, product, or service that is subject to taxation under this chapter at the
3685 lower tax rate from the books and records the seller keeps in the seller's regular
3686 course of business.
- 3687 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
3688 seller's regular course of business includes books and records the seller keeps in
3689 the regular course of business for nontax purposes.
- 3690 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate
3691 imposed under the following shall take effect on the first day of a calendar quarter:
- 3692 (i) Subsection (2)(a)(i)(A);
- 3693 (ii) Subsection (2)(b)(i);
- 3694 (iii) Subsection (2)(c)(i); or
- 3695 (iv) Subsection (2)(f)(i)(A)(I).
- 3696 (j) (i) A tax rate increase takes effect on the first day of the first billing period that
3697 begins on or after the effective date of the tax rate increase if the billing period for
3698 the transaction begins before the effective date of a tax rate increase imposed
3699 under:
- 3700 (A) Subsection (2)(a)(i)(A);

- 3701 (B) Subsection (2)(b)(i);
3702 (C) Subsection (2)(c)(i); or
3703 (D) Subsection (2)(f)(i)(A)(I).
- 3704 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
3705 statement for the billing period is rendered on or after the effective date of the
3706 repeal of the tax or the tax rate decrease imposed under:
- 3707 (A) Subsection (2)(a)(i)(A);
3708 (B) Subsection (2)(b)(i);
3709 (C) Subsection (2)(c)(i); or
3710 (D) Subsection (2)(f)(i)(A)(I).
- 3711 (k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
3712 is computed on the basis of sales and use tax rates published in the catalogue, a
3713 tax rate repeal or change in a tax rate takes effect:
- 3714 (A) on the first day of a calendar quarter; and
3715 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate
3716 change.
- 3717 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
- 3718 (A) Subsection (2)(a)(i)(A);
3719 (B) Subsection (2)(b)(i);
3720 (C) Subsection (2)(c)(i); or
3721 (D) Subsection (2)(f)(i)(A)(I).
- 3722 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
3723 the commission may by rule define the term "catalogue sale."
- 3724 (l) (i) For a location described in Subsection (2)(l)(ii), the commission shall
3725 determine the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or
3726 other fuel based on the predominant use of the gas, electricity, heat, coal, fuel oil,
3727 or other fuel at the location.
- 3728 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
3729 or other fuel is furnished through a single meter for two or more of the following
3730 uses:
- 3731 (A) a commercial use;
3732 (B) an industrial use; or
3733 (C) a residential use.
- 3734 (3) (a) The following state taxes shall be deposited into the General Fund:

- 3735 (i) the tax imposed by Subsection (2)(a)(i)(A);
3736 (ii) the tax imposed by Subsection (2)(b)(i);
3737 (iii) the tax imposed by Subsection (2)(c)(i); and
3738 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 3739 (b) The following local taxes shall be distributed to a county, city, or town as provided
3740 in this chapter:
- 3741 (i) the tax imposed by Subsection (2)(a)(ii);
3742 (ii) the tax imposed by Subsection (2)(b)(ii);
3743 (iii) the tax imposed by Subsection (2)(c)(ii); and
3744 (iv) the tax imposed by Subsection (2)(f)(i)(B).
- 3745 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General Fund.
- 3746 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
3747 2003, the lesser of the following amounts shall be expended as provided in
3748 Subsections (4)(b) through (g):
- 3749 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
3750 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
3751 (B) for the fiscal year; or
3752 (ii) \$17,500,000.
- 3753 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
3754 described in Subsection (4)(a) shall be transferred each year as designated sales
3755 and use tax revenue to the Department of Natural Resources to:
- 3756 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d)
3757 to protect sensitive plant and animal species; or
3758 (B) award grants, up to the amount authorized by the Legislature in an
3759 appropriations act, to political subdivisions of the state to implement the
3760 measures described in Subsections 79-2-303(3)(a) through (d) to protect
3761 sensitive plant and animal species.
- 3762 (ii) Money transferred to the Department of Natural Resources under Subsection
3763 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or
3764 any other person to list or attempt to have listed a species as threatened or
3765 endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et
3766 seq.
- 3767 (iii) At the end of each fiscal year:
- 3768 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to

3769 the Water Resources Conservation and Development Fund created in Section
3770 73-10-24;

3771 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
3772 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
3773 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
3774 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

3775 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
3776 Subsection (4)(a) shall be deposited each year in the Agriculture Resource
3777 Development Fund created in Section 4-18-106.

3778 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount
3779 described in Subsection (4)(a) shall be transferred each year as designated sales
3780 and use tax revenue to the Division of Water Rights to cover the costs incurred in
3781 hiring legal and technical staff for the adjudication of water rights.

3782 (ii) At the end of each fiscal year:

3783 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to
3784 the Water Resources Conservation and Development Fund created in Section
3785 73-10-24;

3786 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
3787 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
3788 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
3789 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

3790 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount
3791 described in Subsection (4)(a) shall be deposited into the Water Resources
3792 Conservation and Development Fund created in Section 73-10-24 for use by the
3793 Division of Water Resources.

3794 (ii) In addition to the uses allowed of the Water Resources Conservation and
3795 Development Fund under Section 73-10-24, the Water Resources Conservation
3796 and Development Fund may also be used to:

3797 (A) conduct hydrologic and geotechnical investigations by the Division of Water
3798 Resources in a cooperative effort with other state, federal, or local entities, for
3799 the purpose of quantifying surface and ground water resources and describing
3800 the hydrologic systems of an area in sufficient detail so as to enable local and
3801 state resource managers to plan for and accommodate growth in water use
3802 without jeopardizing the resource;

- 3803 (B) fund state required dam safety improvements; and
3804 (C) protect the state's interest in interstate water compact allocations, including the
3805 hiring of technical and legal staff.
- 3806 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in
3807 Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program
3808 Subaccount created in Section 73-10c-5 for use by the Water Quality Board to fund
3809 wastewater projects.
- 3810 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
3811 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program
3812 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water to:
- 3813 (i) provide for the installation and repair of collection, treatment, storage, and
3814 distribution facilities for any public water system, as defined in Section 19-4-102;
3815 (ii) develop underground sources of water, including springs and wells; and
3816 (iii) develop surface water sources.
- 3817 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
3818 2006, the difference between the following amounts shall be expended as provided in
3819 this Subsection (5), if that difference is greater than \$1:
- 3820 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for
3821 the fiscal year by a 1/16% tax rate on the transactions described in Subsection (1);
3822 and
3823 (ii) \$17,500,000.
- 3824 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
- 3825 (A) transferred each fiscal year to the Department of Natural Resources as
3826 designated sales and use tax revenue; and
3827 (B) expended by the Department of Natural Resources for watershed rehabilitation
3828 or restoration.
- 3829 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
3830 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources
3831 Conservation and Development Fund created in Section 73-10-24.
- 3832 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
3833 remaining difference described in Subsection (5)(a) shall be:
- 3834 (A) transferred each fiscal year to the Division of Water Resources as designated
3835 sales and use tax revenue; and
3836 (B) expended by the Division of Water Resources for cloud-seeding projects

- 3837 authorized by Title 73, Chapter 15, Modification of Weather.
- 3838 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
3839 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources
3840 Conservation and Development Fund created in Section 73-10-24.
- 3841 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
3842 remaining difference described in Subsection (5)(a) shall be deposited into the Water
3843 Resources Conservation and Development Fund created in Section 73-10-24 for use
3844 by the Division of Water Resources for:
- 3845 (i) preconstruction costs:
- 3846 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73,
3847 Chapter 26, Bear River Development Act; and
- 3848 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
3849 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;
- 3850 (ii) the cost of employing a civil engineer to oversee any project authorized by Title
3851 73, Chapter 26, Bear River Development Act;
- 3852 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline
3853 project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development
3854 Act; and
- 3855 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
3856 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i)
3857 through (iii).
- 3858 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
3859 remaining difference described in Subsection (5)(a) shall be deposited each year into
3860 the Water Rights Restricted Account created by Section 73-2-1.6.
- 3861 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each
3862 fiscal year, the commission shall deposit into the Water Infrastructure Restricted
3863 Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax
3864 rate on the transactions described in Subsection (1) for the fiscal year.
- 3865 (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal
3866 year beginning on or after July 1, 2023, the commission shall deposit into the
3867 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the
3868 taxes listed under Subsection (3)(a) equal to 17% of the revenue collected from the
3869 following sales and use taxes:
- 3870 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

- 3871 (ii) the tax imposed by Subsection (2)(b)(i);
3872 (iii) the tax imposed by Subsection (2)(c)(i); and
3873 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 3874 (b) (i) As used in this Subsection (7)(b):
- 3875 (A) "Additional growth revenue" means the amount of relevant revenue collected
3876 in the current fiscal year that exceeds by more than 3% the relevant revenue
3877 collected in the previous fiscal year.
- 3878 (B) "Combined amount" means the combined total amount of money deposited
3879 into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii)
3880 in any single fiscal year.
- 3881 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
3882 Investment Fund created in Subsection 72-2-124(10).
- 3883 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a)
3884 that equals 17% of the revenue collected from taxes described in Subsections
3885 (7)(a)(i) through (iv).
- 3886 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall
3887 annually reduce the deposit under Subsection (7)(a) into the Transportation
3888 Investment Fund of 2005 by an amount equal to the amount of the deposit under
3889 this Subsection (7)(b) to the Cottonwood Canyons fund in the previous fiscal year
3890 plus 25% of additional growth revenue, subject to the limit in Subsection
3891 (7)(b)(iii).
- 3892 (iii) The commission shall annually deposit the amount described in Subsection
3893 (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum
3894 combined amount for any single fiscal year of \$20,000,000.
- 3895 (iv) If the amount of relevant revenue declines in a fiscal year compared to the
3896 previous fiscal year, the commission shall decrease the amount of the contribution
3897 to the Cottonwood Canyons fund under this Subsection (7)(b) in the same
3898 proportion as the decline in relevant revenue.
- 3899 (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
3900 2023, the commission shall annually reduce the deposit into the Transportation
3901 Investment Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is
3902 equal to 5% of:
- 3903 (A) the amount of revenue generated in the current fiscal year by the portion of
3904 taxes listed under Subsection (3)(a) that equals 20.68% of the revenue

- 3905 collected from taxes described in Subsections (7)(a)(i) through (iv);
- 3906 (B) the amount of revenue generated in the current fiscal year by registration fees
- 3907 designated under Section 41-1a-1201 to be deposited into the Transportation
- 3908 Investment Fund of 2005; and
- 3909 (C) [~~revenues~~] revenue transferred by the Division of Finance to the Transportation
- 3910 Investment Fund of 2005 in accordance with Section 72-2-106 in the current
- 3911 fiscal year.
- 3912 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a
- 3913 given fiscal year.
- 3914 (iii) The commission shall annually deposit the amount described in Subsection
- 3915 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection
- 3916 72-2-124(11).
- 3917 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
- 3918 Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year
- 3919 beginning on or after July 1, 2018, the commission shall annually deposit into the
- 3920 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the
- 3921 taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the [~~revenues~~]
- 3922 revenue collected from the following taxes:
- 3923 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 3924 (ii) the tax imposed by Subsection (2)(b)(i);
- 3925 (iii) the tax imposed by Subsection (2)(c)(i); and
- 3926 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 3927 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
- 3928 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection
- 3929 (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the
- 3930 current fiscal year by the portion of the tax imposed on motor and special fuel that is
- 3931 sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.
- 3932 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
- 3933 into the Transit Transportation Investment Fund created in Section 72-2-124.
- 3934 (d) (i) As used in this Subsection (8)(d):
- 3935 (A) "Additional growth revenue" means the amount of relevant revenue collected
- 3936 in the current fiscal year that exceeds by more than 3% the relevant revenue
- 3937 collected in the previous fiscal year.
- 3938 (B) "Combined amount" means the combined total amount of money deposited

3939 into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii)
3940 in any single fiscal year.

3941 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
3942 Investment Fund created in Subsection 72-2-124(10).

3943 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a)
3944 that equals 3.68% of the revenue collected from taxes described in Subsections
3945 (8)(a)(i) through (iv).

3946 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall
3947 annually reduce the deposit under Subsection (8)(a) into the Transportation
3948 Investment Fund of 2005 by an amount equal to the amount of the deposit under
3949 this Subsection (8)(d) to the Cottonwood Canyons fund in the previous fiscal year
3950 plus 25% of additional growth revenue, subject to the limit in Subsection
3951 (8)(d)(iii).

3952 (iii) The commission shall annually deposit the amount described in Subsection
3953 (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum
3954 combined amount for any single fiscal year of \$20,000,000.

3955 (iv) If the amount of relevant revenue declines in a fiscal year compared to the
3956 previous fiscal year, the commission shall decrease the amount of the contribution
3957 to the Cottonwood Canyons fund under this Subsection (8)(d) in the same
3958 proportion as the decline in relevant revenue.

3959 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
3960 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies
3961 Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

3962 (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal
3963 year during which the commission receives notice under Section 63N-2-510 that
3964 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the
3965 commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the
3966 revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact
3967 Mitigation Fund, created in Section 63N-2-512.

3968 (11) (a) The rate specified in this subsection is 0.15%.

3969 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
3970 on or after July 1, 2019, annually transfer the amount of revenue collected from the
3971 rate described in Subsection (11)(a) on the transactions that are subject to the sales
3972 and use tax under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created

3973 in Section 26B-1-315.

3974 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
 3975 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated
 3976 credit solely for use of the Search and Rescue Financial Assistance Program created in,
 3977 and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

3978 (13) (a) For each fiscal year beginning with fiscal year 2020-21, the commission shall
 3979 annually transfer \$1,813,400 of the revenue deposited into the Transportation
 3980 Investment Fund of 2005 under Subsections (7) and (8) to the General Fund.

3981 (b) If the total revenue deposited into the Transportation Investment Fund of 2005 under
 3982 Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall
 3983 transfer the total revenue deposited into the Transportation Investment Fund of 2005
 3984 under Subsections (7) and (8) during the fiscal year to the General Fund.

3985 (14) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610, beginning
 3986 the first day of the calendar quarter one year after the sales and use tax boundary for a
 3987 housing and transit reinvestment zone is established, the commission, at least annually,
 3988 shall transfer an amount equal to 15% of the sales and use tax increment within an
 3989 established sales and use tax boundary, as defined in Section 63N-3-602, into the Transit
 3990 Transportation Investment Fund created in Section 72-2-124.

3991 (15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
 3992 on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure Restricted
 3993 Account, created in Section 51-9-902, a portion of the taxes listed under Subsection
 3994 (3)(a) equal to 1% of the [revenues] revenue collected from the following sales and use
 3995 taxes:

- 3996 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 3997 (b) the tax imposed by Subsection (2)(b)(i);
- 3998 (c) the tax imposed by Subsection (2)(c)(i); and
- 3999 (d) the tax imposed by Subsection (2)(f)(i)(A)(I).

4000 Section 5. Section **59-12-103** is amended to read:

4001 **59-12-103 (Contingently Effective 01/01/25). Sales and use tax base -- Rates --**
 4002 **Effective dates -- Use of sales and use tax revenue.**

4003 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or sales
 4004 price for amounts paid or charged for the following transactions:

- 4005 (a) retail sales of tangible personal property made within the state;
- 4006 (b) amounts paid for:

- 4007 (i) telecommunications service, other than mobile telecommunications service, that
4008 originates and terminates within the boundaries of this state;
- 4009 (ii) mobile telecommunications service that originates and terminates within the
4010 boundaries of one state only to the extent permitted by the Mobile
4011 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
- 4012 (iii) an ancillary service associated with a:
- 4013 (A) telecommunications service described in Subsection (1)(b)(i); or
4014 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
- 4015 (c) sales of the following for commercial use:
- 4016 (i) gas;
4017 (ii) electricity;
4018 (iii) heat;
4019 (iv) coal;
4020 (v) fuel oil; or
4021 (vi) other fuels;
- 4022 (d) sales of the following for residential use:
- 4023 (i) gas;
4024 (ii) electricity;
4025 (iii) heat;
4026 (iv) coal;
4027 (v) fuel oil; or
4028 (vi) other fuels;
- 4029 (e) sales of prepared food;
- 4030 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
4031 user fees for theaters, movies, operas, museums, planetariums, shows of any type or
4032 nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,
4033 menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling
4034 matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling
4035 lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts,
4036 ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides,
4037 river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or
4038 any other amusement, entertainment, recreation, exhibition, cultural, or athletic
4039 activity;
- 4040 (g) amounts paid or charged for services for repairs or renovations of tangible personal

property, unless Section 59-12-104 provides for an exemption from sales and use tax for:

(i) the tangible personal property; and

(ii) parts used in the repairs or renovations of the tangible personal property described in Subsection (1)(g)(i), regardless of whether:

(A) any parts are actually used in the repairs or renovations of that tangible personal property; or

(B) the particular parts used in the repairs or renovations of that tangible personal property are exempt from a tax under this chapter;

(h) except as provided in Subsection 59-12-104(7), amounts paid or charged for assisted cleaning or washing of tangible personal property;

(i) amounts paid or charged for short-term rentals of tourist home, hotel, motel, or trailer court accommodations and services[~~that are regularly rented for less than 30 consecutive days~~];

(j) amounts paid or charged for laundry or dry cleaning services;

(k) amounts paid or charged for leases or rentals of tangible personal property if within this state the tangible personal property is:

(i) stored;

(ii) used; or

(iii) otherwise consumed;

(l) amounts paid or charged for tangible personal property if within this state the tangible personal property is:

(i) stored;

(ii) used; or

(iii) consumed;

(m) amounts paid or charged for a sale:

(i) (A) of a product transferred electronically; or

(B) of a repair or renovation of a product transferred electronically; and

(ii) regardless of whether the sale provides:

(A) a right of permanent use of the product; or

(B) a right to use the product that is less than a permanent use, including a right:

(I) for a definite or specified length of time; and

(II) that terminates upon the occurrence of a condition; and

(n) sales of leased tangible personal property from the lessor to the lessee made in the

- 4075 state.
- 4076 (2) (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
4077 are imposed on a transaction described in Subsection (1) equal to the sum of:
- 4078 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
- 4079 (A) 4.70% plus the rate specified in Subsection (11)(a); and
- 4080 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional
4081 State Sales and Use Tax Act, if the location of the transaction as determined
4082 under Sections 59-12-211 through 59-12-215 is in a county in which the
4083 state imposes the tax under Part 18, Additional State Sales and Use Tax Act;
4084 and
- 4085 (II) the tax rate the state imposes in accordance with Part 20, Supplemental
4086 State Sales and Use Tax Act, if the location of the transaction as determined
4087 under Sections 59-12-211 through 59-12-215 is in a city, town, or the
4088 unincorporated area of a county in which the state imposes the tax under
4089 Part 20, Supplemental State Sales and Use Tax Act; and
- 4090 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
4091 transaction under this chapter other than this part.
- 4092 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state
4093 tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal
4094 to the sum of:
- 4095 (i) a state tax imposed on the transaction at a tax rate of 2%; and
- 4096 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
4097 transaction under this chapter other than this part.
- 4098 (c) (i) Except as provided in Subsection (2)(f) or (g), a local tax is imposed on
4099 amounts paid or charged for food and food ingredients equal to the sum of the tax
4100 rates a county, city, or town imposes under this chapter on the amounts paid or
4101 charged for food or food ingredients.
- 4102 (ii) There is no state tax imposed on amounts paid or charged for food and food
4103 ingredients.
- 4104 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid
4105 or charged for fuel to a common carrier that is a railroad for use in a locomotive
4106 engine at a rate of 4.85%.
- 4107 (e) (i) (A) If a shared vehicle owner certifies to the commission, on a form
4108 prescribed by the commission, that the shared vehicle is an individual-owned

shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle owner.

(B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is required once during the time that the shared vehicle owner owns the shared vehicle.

(C) The commission shall verify that a shared vehicle is an individual-owned shared vehicle by verifying that the applicable Utah taxes imposed under this chapter were paid on the purchase of the shared vehicle.

(D) The exception under Subsection (2)(e)(i)(A) applies to a certified individual-owned shared vehicle shared through a car-sharing program even if non-certified shared vehicles are also available to be shared through the same car-sharing program.

(ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.

(iii) (A) A car-sharing program may rely in good faith on a shared vehicle owner's representation that the shared vehicle is an individual-owned shared vehicle certified with the commission as described in Subsection (2)(e)(i).

(B) If a car-sharing program relies in good faith on a shared vehicle owner's representation that the shared vehicle is an individual-owned shared vehicle certified with the commission as described in Subsection (2)(e)(i), the car-sharing program is not liable for any tax, penalty, fee, or other sanction imposed on the shared vehicle owner.

(iv) If all shared vehicles shared through a car-sharing program are certified as described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has no obligation to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax period.

(v) ~~[(A)]~~ A car-sharing program is not required to list or otherwise identify an individual-owned shared vehicle on a return or an attachment to a return.

(vi) A car-sharing program shall:

(A) retain tax information for each car-sharing program transaction; and

(B) provide the information described in Subsection (2)(e)(vi)(A) to the commission at the commission's request.

(f) (i) For a bundled transaction that is attributable to food and food ingredients and tangible personal property other than food and food ingredients, a state tax and a

4143 local tax is imposed on the entire bundled transaction equal to the sum of:

4144 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

4145 (I) the tax rate described in Subsection (2)(a)(i)(A); and

4146 (II) (Aa) the tax rate the state imposes in accordance with Part 18,
4147 Additional State Sales and Use Tax Act, if the location of the transaction
4148 as determined under Sections 59-12-211 through 59-12-215 is in a
4149 county in which the state imposes the tax under Part 18, Additional State
4150 Sales and Use Tax Act; and

4151 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental
4152 State Sales and Use Tax Act, if the location of the transaction as
4153 determined under Sections 59-12-211 through 59-12-215 is in a city,
4154 town, or the unincorporated area of a county in which the state imposes
4155 the tax under Part 20, Supplemental State Sales and Use Tax Act; and

4156 (B) a local tax imposed on the entire bundled transaction at the sum of the tax
4157 rates described in Subsection (2)(a)(ii).

4158 (ii) If an optional computer software maintenance contract is a bundled transaction
4159 that consists of taxable and nontaxable products that are not separately itemized
4160 on an invoice or similar billing document, the purchase of the optional computer
4161 software maintenance contract is 40% taxable under this chapter and 60%
4162 nontaxable under this chapter.

4163 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
4164 transaction described in Subsection (2)(f)(i) or (ii):

4165 (A) if the sales price of the bundled transaction is attributable to tangible personal
4166 property, a product, or a service that is subject to taxation under this chapter
4167 and tangible personal property, a product, or service that is not subject to
4168 taxation under this chapter, the entire bundled transaction is subject to taxation
4169 under this chapter unless:

4170 (I) the seller is able to identify by reasonable and verifiable standards the
4171 tangible personal property, product, or service that is not subject to taxation
4172 under this chapter from the books and records the seller keeps in the seller's
4173 regular course of business; or

4174 (II) state or federal law provides otherwise; or

4175 (B) if the sales price of a bundled transaction is attributable to two or more items
4176 of tangible personal property, products, or services that are subject to taxation

under this chapter at different rates, the entire bundled transaction is subject to taxation under this chapter at the higher tax rate unless:

(I) the seller is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is subject to taxation under this chapter at the lower tax rate from the books and records the seller keeps in the seller's regular course of business; or

(II) state or federal law provides otherwise.

(iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.

(g) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental of tangible personal property, other property, a product, or a service that is not subject to taxation under this chapter, the entire transaction is subject to taxation under this chapter unless the seller, at the time of the transaction:

(A) separately states the portion of the transaction that is not subject to taxation under this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or

(B) is able to identify by reasonable and verifiable standards, from the books and records the seller keeps in the seller's regular course of business, the portion of the transaction that is not subject to taxation under this chapter.

(ii) A purchaser and a seller may correct the taxability of a transaction if:

(A) after the transaction occurs, the purchaser and the seller discover that the portion of the transaction that is not subject to taxation under this chapter was not separately stated on an invoice, bill of sale, or similar document provided to the purchaser because of an error or ignorance of the law; and

(B) the seller is able to identify by reasonable and verifiable standards, from the books and records the seller keeps in the seller's regular course of business, the portion of the transaction that is not subject to taxation under this chapter.

(iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller keeps in the seller's regular course of business includes books and records the seller keeps in the regular course of business for nontax purposes.

- 4211 (h) (i) If the sales price of a transaction is attributable to two or more items of
4212 tangible personal property, products, or services that are subject to taxation under
4213 this chapter at different rates, the entire purchase is subject to taxation under this
4214 chapter at the higher tax rate unless the seller, at the time of the transaction:
- 4215 (A) separately states the items subject to taxation under this chapter at each of the
4216 different rates on an invoice, bill of sale, or similar document provided to the
4217 purchaser; or
- 4218 (B) is able to identify by reasonable and verifiable standards the tangible personal
4219 property, product, or service that is subject to taxation under this chapter at the
4220 lower tax rate from the books and records the seller keeps in the seller's regular
4221 course of business.
- 4222 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
4223 seller's regular course of business includes books and records the seller keeps in
4224 the regular course of business for nontax purposes.
- 4225 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate
4226 imposed under the following shall take effect on the first day of a calendar quarter:
- 4227 (i) Subsection (2)(a)(i)(A);
- 4228 (ii) Subsection (2)(b)(i); or
- 4229 (iii) Subsection (2)(f)(i)(A)(I).
- 4230 (j) (i) A tax rate increase takes effect on the first day of the first billing period that
4231 begins on or after the effective date of the tax rate increase if the billing period for
4232 the transaction begins before the effective date of a tax rate increase imposed
4233 under:
- 4234 (A) Subsection (2)(a)(i)(A);
- 4235 (B) Subsection (2)(b)(i); or
- 4236 (C) Subsection (2)(f)(i)(A)(I).
- 4237 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
4238 statement for the billing period is rendered on or after the effective date of the
4239 repeal of the tax or the tax rate decrease imposed under:
- 4240 (A) Subsection (2)(a)(i)(A);
- 4241 (B) Subsection (2)(b)(i); or
- 4242 (C) Subsection (2)(f)(i)(A)(I).
- 4243 (k) (i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
4244 is computed on the basis of sales and use tax rates published in the catalogue, a

tax rate repeal or change in a tax rate takes effect:

(A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

(ii) Subsection (2)(k)(i) applies to the tax rates described in the following:

(A) Subsection (2)(a)(i)(A);

(B) Subsection (2)(b)(i); or

(C) Subsection (2)(f)(i)(A)(I).

(iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

(l) (i) For a location described in Subsection (2)(l)(ii), the commission shall determine the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.

(ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil, or other fuel is furnished through a single meter for two or more of the following uses:

(A) a commercial use;

(B) an industrial use; or

(C) a residential use.

(3) (a) The following state taxes shall be deposited into the General Fund:

(i) the tax imposed by Subsection (2)(a)(i)(A);

(ii) the tax imposed by Subsection (2)(b)(i); and

(iii) the tax imposed by Subsection (2)(f)(i)(A)(I).

(b) The following local taxes shall be distributed to a county, city, or town as provided in this chapter:

(i) the tax imposed by Subsection (2)(a)(ii);

(ii) the tax imposed by Subsection (2)(b)(ii);

(iii) the tax imposed by Subsection (2)(c); and

(iv) the tax imposed by Subsection (2)(f)(i)(B).

(c) The state tax imposed by Subsection (2)(d) shall be deposited into the General Fund.

(4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1, 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b) through (g):

- 4279 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
4280 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
4281 (B) for the fiscal year; or
4282 (ii) \$17,500,000.
- 4283 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
4284 described in Subsection (4)(a) shall be transferred each year as designated sales
4285 and use tax revenue to the Department of Natural Resources to:
4286 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d)
4287 to protect sensitive plant and animal species; or
4288 (B) award grants, up to the amount authorized by the Legislature in an
4289 appropriations act, to political subdivisions of the state to implement the
4290 measures described in Subsections 79-2-303(3)(a) through (d) to protect
4291 sensitive plant and animal species.
- 4292 (ii) Money transferred to the Department of Natural Resources under Subsection
4293 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or
4294 any other person to list or attempt to have listed a species as threatened or
4295 endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et
4296 seq.
- 4297 (iii) At the end of each fiscal year:
4298 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to
4299 the Water Resources Conservation and Development Fund created in Section
4300 73-10-24;
4301 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
4302 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
4303 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
4304 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 4305 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
4306 Subsection (4)(a) shall be deposited each year in the Agriculture Resource
4307 Development Fund created in Section 4-18-106.
- 4308 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount
4309 described in Subsection (4)(a) shall be transferred each year as designated sales
4310 and use tax revenue to the Division of Water Rights to cover the costs incurred in
4311 hiring legal and technical staff for the adjudication of water rights.
- 4312 (ii) At the end of each fiscal year:

- 4313 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to
4314 the Water Resources Conservation and Development Fund created in Section
4315 73-10-24;
- 4316 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
4317 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
- 4318 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
4319 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 4320 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount
4321 described in Subsection (4)(a) shall be deposited into the Water Resources
4322 Conservation and Development Fund created in Section 73-10-24 for use by the
4323 Division of Water Resources.
- 4324 (ii) In addition to the uses allowed of the Water Resources Conservation and
4325 Development Fund under Section 73-10-24, the Water Resources Conservation
4326 and Development Fund may also be used to:
- 4327 (A) conduct hydrologic and geotechnical investigations by the Division of Water
4328 Resources in a cooperative effort with other state, federal, or local entities, for
4329 the purpose of quantifying surface and ground water resources and describing
4330 the hydrologic systems of an area in sufficient detail so as to enable local and
4331 state resource managers to plan for and accommodate growth in water use
4332 without jeopardizing the resource;
- 4333 (B) fund state required dam safety improvements; and
- 4334 (C) protect the state's interest in interstate water compact allocations, including the
4335 hiring of technical and legal staff.
- 4336 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in
4337 Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program
4338 Subaccount created in Section 73-10c-5 for use by the Water Quality Board to fund
4339 wastewater projects.
- 4340 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
4341 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program
4342 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water to:
- 4343 (i) provide for the installation and repair of collection, treatment, storage, and
4344 distribution facilities for any public water system, as defined in Section 19-4-102;
- 4345 (ii) develop underground sources of water, including springs and wells; and
- 4346 (iii) develop surface water sources.

- (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1, 2006, the difference between the following amounts shall be expended as provided in this Subsection (5), if that difference is greater than \$1:
- (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and
 - (ii) \$17,500,000.
- (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
- (A) transferred each fiscal year to the Department of Natural Resources as designated sales and use tax revenue; and
 - (B) expended by the Department of Natural Resources for watershed rehabilitation or restoration.
- (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund created in Section 73-10-24.
- (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the remaining difference described in Subsection (5)(a) shall be:
- (A) transferred each fiscal year to the Division of Water Resources as designated sales and use tax revenue; and
 - (B) expended by the Division of Water Resources for cloud-seeding projects authorized by Title 73, Chapter 15, Modification of Weather.
- (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation and Development Fund created in Section 73-10-24.
- (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the remaining difference described in Subsection (5)(a) shall be deposited into the Water Resources Conservation and Development Fund created in Section 73-10-24 for use by the Division of Water Resources for:
- (i) preconstruction costs:
 - (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter 26, Bear River Development Act; and
 - (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;
 - (ii) the cost of employing a civil engineer to oversee any project authorized by Title

- 4381 73, Chapter 26, Bear River Development Act;
- 4382 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline
- 4383 project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development
- 4384 Act; and
- 4385 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
- 4386 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i)
- 4387 through (iii).
- 4388 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
- 4389 remaining difference described in Subsection (5)(a) shall be deposited each year into
- 4390 the Water Rights Restricted Account created by Section 73-2-1.6.
- 4391 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each
- 4392 fiscal year, the commission shall deposit into the Water Infrastructure Restricted
- 4393 Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax
- 4394 rate on the transactions described in Subsection (1) for the fiscal year.
- 4395 (7) (a) Notwithstanding Subsection (3)(a) and subject to Subsection (7)(b), for a fiscal
- 4396 year beginning on or after July 1, 2023, the commission shall deposit into the
- 4397 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the
- 4398 taxes listed under Subsection (3)(a) equal to 17% of the revenue collected from the
- 4399 following sales and use taxes:
- 4400 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 4401 (ii) the tax imposed by Subsection (2)(b)(i); and
- 4402 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 4403 (b) (i) As used in this Subsection (7)(b):
- 4404 (A) "Additional growth revenue" means the amount of relevant revenue collected
- 4405 in the current fiscal year that exceeds by more than 3% the relevant revenue
- 4406 collected in the previous fiscal year.
- 4407 (B) "Combined amount" means the combined total amount of money deposited
- 4408 into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii)
- 4409 in any single fiscal year.
- 4410 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
- 4411 Investment Fund created in Subsection 72-2-124(10).
- 4412 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a)
- 4413 that equals 17% of the revenue collected from taxes described in Subsections
- 4414 (7)(a)(i) through (iii).

- 4415 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall
4416 annually reduce the deposit under Subsection (7)(a) into the Transportation
4417 Investment Fund of 2005 by an amount equal to the amount of the deposit under
4418 this Subsection (7)(b) to the Cottonwood Canyons fund in the previous fiscal year
4419 plus 25% of additional growth revenue, subject to the limit in Subsection
4420 (7)(b)(iii).
- 4421 (iii) The commission shall annually deposit the amount described in Subsection
4422 (7)(b)(ii) into the Cottonwood Canyons fund, subject to an annual maximum
4423 combined amount for any single fiscal year of \$20,000,000.
- 4424 (iv) If the amount of relevant revenue declines in a fiscal year compared to the
4425 previous fiscal year, the commission shall decrease the amount of the contribution
4426 to the Cottonwood Canyons fund under this Subsection (7)(b) in the same
4427 proportion as the decline in relevant revenue.
- 4428 (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
4429 2023, the commission shall annually reduce the deposit into the Transportation
4430 Investment Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is
4431 equal to 5% of:
- 4432 (A) the amount of revenue generated in the current fiscal year by the portion of
4433 taxes listed under Subsection (3)(a) that equals 20.68% of the revenue
4434 collected from taxes described in Subsections (7)(a)(i) through (iv);
- 4435 (B) the amount of revenue generated in the current fiscal year by registration fees
4436 designated under Section 41-1a-1201 to be deposited into the Transportation
4437 Investment Fund of 2005; and
- 4438 (C) [~~revenues~~] revenue transferred by the Division of Finance to the Transportation
4439 Investment Fund of 2005 in accordance with Section 72-2-106 in the current
4440 fiscal year.
- 4441 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a
4442 given fiscal year.
- 4443 (iii) The commission shall annually deposit the amount described in Subsection
4444 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection
4445 72-2-124(11).
- 4446 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
4447 Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year
4448 beginning on or after July 1, 2018, the commission shall annually deposit into the

4449 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the
4450 taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the [revenues]
4451 revenue collected from the following taxes:

- 4452 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 4453 (ii) the tax imposed by Subsection (2)(b)(i); and
- 4454 (iii) the tax imposed by Subsection (2)(f)(i)(A)(I).

4455 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
4456 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection
4457 (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the
4458 current fiscal year by the portion of the tax imposed on motor and special fuel that is
4459 sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.

4460 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
4461 into the Transit Transportation Investment Fund created in Section 72-2-124.

4462 (d) (i) As used in this Subsection (8)(d):

4463 (A) "Additional growth revenue" means the amount of relevant revenue collected
4464 in the current fiscal year that exceeds by more than 3% the relevant revenue
4465 collected in the previous fiscal year.

4466 (B) "Combined amount" means the combined total amount of money deposited
4467 into the Cottonwood Canyons fund under Subsections (7)(b)(iii) and (8)(d)(iii)
4468 in any single fiscal year.

4469 (C) "Cottonwood Canyons fund" means the Cottonwood Canyons Transportation
4470 Investment Fund created in Subsection 72-2-124(10).

4471 (D) "Relevant revenue" means the portion of taxes listed under Subsection (3)(a)
4472 that equals 3.68% of the revenue collected from taxes described in Subsections
4473 (8)(a)(i) through (iii).

4474 (ii) For a fiscal year beginning on or after July 1, 2020, the commission shall
4475 annually reduce the deposit under Subsection (8)(a) into the Transportation
4476 Investment Fund of 2005 by an amount equal to the amount of the deposit under
4477 this Subsection (8)(d) to the Cottonwood Canyons fund in the previous fiscal year
4478 plus 25% of additional growth revenue, subject to the limit in Subsection
4479 (8)(d)(iii).

4480 (iii) The commission shall annually deposit the amount described in Subsection
4481 (8)(d)(ii) into the Cottonwood Canyons fund, subject to an annual maximum
4482 combined amount for any single fiscal year of \$20,000,000.

- 4483 (iv) If the amount of relevant revenue declines in a fiscal year compared to the
4484 previous fiscal year, the commission shall decrease the amount of the contribution
4485 to the Cottonwood Canyons fund under this Subsection (8)(d) in the same
4486 proportion as the decline in relevant revenue.
- 4487 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
4488 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies
4489 Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.
- 4490 (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal
4491 year during which the commission receives notice under Section 63N-2-510 that
4492 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the
4493 commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the
4494 revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact
4495 Mitigation Fund, created in Section 63N-2-512.
- 4496 (11) (a) The rate specified in this subsection is 0.15%.
- 4497 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
4498 on or after July 1, 2019, annually transfer the amount of revenue collected from the
4499 rate described in Subsection (11)(a) on the transactions that are subject to the sales
4500 and use tax under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created
4501 in Section 26B-1-315.
- 4502 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
4503 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated
4504 credit solely for use of the Search and Rescue Financial Assistance Program created in,
4505 and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.
- 4506 (13) (a) For each fiscal year beginning with fiscal year 2020-21, the commission shall
4507 annually transfer \$1,813,400 of the revenue deposited into the Transportation
4508 Investment Fund of 2005 under Subsections (7) and (8) to the General Fund.
- 4509 (b) If the total revenue deposited into the Transportation Investment Fund of 2005 under
4510 Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall
4511 transfer the total revenue deposited into the Transportation Investment Fund of 2005
4512 under Subsections (7) and (8) during the fiscal year to the General Fund.
- 4513 (14) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610, beginning
4514 the first day of the calendar quarter one year after the sales and use tax boundary for a
4515 housing and transit reinvestment zone is established, the commission, at least annually,
4516 shall transfer an amount equal to 15% of the sales and use tax increment within an

4517 established sales and use tax boundary, as defined in Section 63N-3-602, into the Transit
 4518 Transportation Investment Fund created in Section 72-2-124.

4519 (15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
 4520 on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure Restricted
 4521 Account, created in Section 51-9-902, a portion of the taxes listed under Subsection
 4522 (3)(a) equal to 1% of the ~~[revenues]~~ revenue collected from the following sales and use
 4523 taxes:

- 4524 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 4525 (b) the tax imposed by Subsection (2)(b)(i); and
- 4526 (c) the tax imposed by Subsection (2)(f)(i)(A)(I).

4527 Section 6. Section **59-12-602** is amended to read:

4528 **59-12-602 . Definitions.**

4529 As used in this part:

4530 (1) (a) ~~[Subject to Subsection (1)(b), "airport]~~ "Airport facility" means an airport of
 4531 regional significance, as defined by the Transportation Commission by rule made in
 4532 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

4533 (b) "Airport facility" includes:

- 4534 (i) an appurtenance to an airport, including a fixed guideway that provides
- 4535 transportation service to or from the airport;
- 4536 (ii) a control tower, including a radar system;
- 4537 (iii) a public area of an airport; or
- 4538 (iv) a terminal facility.

4539 (2) "All-terrain type I vehicle" means the same as that term is defined in Section 41-22-2.

4540 (3) "All-terrain type II vehicle" means the same as that term is defined in Section 41-22-2.

4541 (4) "All-terrain type III vehicle" means the same as that term is defined in Section 41-22-2.

4542 (5) "Convention facility" means any publicly owned or operated convention center, sports
 4543 arena, or other facility at which conventions, conferences, and other gatherings are held
 4544 and whose primary business or function is to host such conventions, conferences, and
 4545 other gatherings.

4546 (6) "Cultural facility" means any publicly owned or operated museum, theater, art center,
 4547 music hall, or other cultural or arts facility.

4548 (7) (a) ~~[Except as provided in Subsection (7)(b), "off-highway]~~ "Off-highway vehicle"
 4549 means any snowmobile, all-terrain type I vehicle, all-terrain type II vehicle,
 4550 all-terrain type III vehicle, or motorcycle.

- 4551 (b) "Off-highway vehicle" does not include a vehicle that is a motor vehicle under
 4552 Section 41-1a-102.
- 4553 (8) "Motorcycle" means the same as that term is defined in Section 41-22-2.
- 4554 (9) "Recreation facility" or "tourist facility" means any publicly owned or operated park,
 4555 campground, marina, dock, golf course, water park, historic park, monument,
 4556 planetarium, zoo, bicycle trails, and other recreation or tourism-related facility.
- 4557 (10) (a) ~~[Except as provided in Subsection (10)(e), "recreational"]~~ "Recreational vehicle"
 4558 means a vehicular unit other than a mobile home, primarily designed as a temporary
 4559 dwelling for travel, recreational, or vacation use, that is pulled by another vehicle.
- 4560 (b) "Recreational vehicle" includes:
 4561 (i) a travel trailer;
 4562 (ii) a camping trailer; and
 4563 (iii) a fifth wheel trailer.
- 4564 (c) "Recreational vehicle" does not include a vehicle that is a motor vehicle under
 4565 Section 41-1a-102.
- 4566 (11) (a) "Restaurant" includes any coffee shop, cafeteria, luncheonette, soda fountain, or
 4567 fast-food service where food is prepared for immediate consumption.
- 4568 (b) "Restaurant" does not include:
 4569 (i) any retail establishment whose primary business or function is the sale of fuel or
 4570 food items for off-premise, but not immediate, consumption; and
 4571 (ii) a theater that sells food items, but not a dinner theater.
- 4572 ~~[(12) (a) "Short-term rental" means a lease or rental that is 30 days or less.]~~
 4573 ~~[(b) "Short-term rental" does not include car sharing as that term is defined in Section~~
 4574 ~~13-48a-101.]~~
- 4575 ~~[(13)]~~ (12) "Snowmobile" means the same as that term is defined in Section 41-22-2.
- 4576 ~~[(14)]~~ (13) "Travel trailer," "camping trailer," or "fifth wheel trailer" means a portable
 4577 vehicle without motive power, designed as a temporary dwelling for travel, recreational,
 4578 or vacation use that does not require a special highway movement permit when drawn
 4579 by a self-propelled motor vehicle.
- 4580 Section 7. Section **59-12-603** is amended to read:
 4581 **59-12-603 . County tax -- Bases -- Rates -- Use of revenue -- Adoption of**
 4582 **ordinance required -- Advisory board -- Administration -- Collection --**
 4583 **Administrative charge -- Distribution -- Enactment or repeal of tax or tax rate**
 4584 **change -- Effective date -- Notice requirements.**

(1) (a) In addition to any other taxes, a county legislative body may, as provided in this part, impose a tax as follows:

- (i) (A) a county legislative body of any county may impose a tax of not to exceed 3% on all short-term rentals of motor vehicles, except for short-term rentals of motor vehicles made for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair or an insurance agreement; and
- (B) a county legislative body of any county imposing a tax under Subsection (1)(a)(i)(A) may, in addition to imposing the tax under Subsection (1)(a)(i)(A), impose a tax of not to exceed 4% on all short-term rentals of motor vehicles, except for short-term rentals of motor vehicles made for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair or an insurance agreement;
- (ii) a county legislative body of any county may impose a tax of not to exceed 7% on all short-term rentals of off-highway vehicles and recreational vehicles;
- (iii) a county legislative body of any county may impose a tax of not to exceed 1% of all sales of the following that are sold by a restaurant:
 - (A) alcoholic beverages;
 - (B) food and food ingredients; or
 - (C) prepared food;
- (iv) a county legislative body of a county of the first class may impose a tax of not to exceed .5% on charges for the accommodations and services described in Subsection 59-12-103(1)(i); and
- (v) ~~[beginning on July 1, 2023,]~~ if a county legislative body of any county imposes a tax under Subsection (1)(a)(i), a tax at the same rate applies to car sharing of less than 30 days, except for~~[-]~~
 - ~~[(A)]~~ car sharing for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair or an insurance agreement~~[-; and]~~ .
 - ~~[(B) car sharing for more than 30 days.]~~

(b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section 17-31-5.5.

(2) (a) Subject to Subsection (2)(c), a county may use revenue from the imposition of a tax under Subsection (1) for:

- (i) financing tourism promotion; and

- 4619 (ii) the development, operation, and maintenance of:
- 4620 (A) an airport facility;
- 4621 (B) a convention facility;
- 4622 (C) a cultural facility;
- 4623 (D) a recreation facility; or
- 4624 (E) a tourist facility.
- 4625 (b) (i) In addition to the uses described in Subsection (2)(a) and subject to Subsection
- 4626 (2)(b)(ii), a county of the fourth, fifth, or sixth class or a county with a population
- 4627 density of fewer than 15 people per square mile may expend the revenue from the
- 4628 imposition of a tax under Subsections (1)(a)(i) and (ii) on the following activities
- 4629 to mitigate the impacts of tourism:
- 4630 (A) solid waste disposal;
- 4631 (B) search and rescue activities;
- 4632 (C) law enforcement activities;
- 4633 (D) emergency medical services; or
- 4634 (E) fire protection services.
- 4635 (ii) A county may only expend the revenue as outlined in Subsection (2)(b)(i) if the
- 4636 county's tourism tax advisory board created under Subsection 17-31-8(1)(a) has
- 4637 prioritized the use of revenue to mitigate the impacts of tourism.
- 4638 (c) A county of the first class shall expend at least \$450,000 each year of the revenue
- 4639 from the imposition of a tax authorized by Subsection (1)(a)(iv) within the county to
- 4640 fund a marketing and ticketing system designed to:
- 4641 (i) promote tourism in ski areas within the county by persons that do not reside within
- 4642 the state; and
- 4643 (ii) combine the sale of:
- 4644 (A) ski lift tickets; and
- 4645 (B) accommodations and services described in Subsection 59-12-103(1)(i).
- 4646 (3) A tax imposed under this part may be pledged as security for bonds, notes, or other
- 4647 evidences of indebtedness incurred by a county, city, or town under Title 11, Chapter 14,
- 4648 Local Government Bonding Act, or a community reinvestment agency under Title 17C,
- 4649 Chapter 1, Part 5, Agency Bonds, to finance:
- 4650 (a) an airport facility;
- 4651 (b) a convention facility;
- 4652 (c) a cultural facility;

- 4653 (d) a recreation facility; or
4654 (e) a tourist facility.
- 4655 (4) (a) To impose a tax under Subsection (1), the county legislative body shall adopt an
4656 ordinance imposing the tax.
- 4657 (b) The ordinance under Subsection (4)(a) shall include provisions substantially the
4658 same as those contained in Part 1, Tax Collection, except that the tax shall be
4659 imposed only on those items and sales described in Subsection (1).
- 4660 (c) The name of the county as the taxing agency shall be substituted for that of the state
4661 where necessary, and an additional license is not required if one has been or is issued
4662 under Section 59-12-106.
- 4663 (5) To maintain in effect a tax ordinance adopted under this part, each county legislative
4664 body shall, within 30 days of any amendment of any applicable provisions of Part 1, Tax
4665 Collection, adopt amendments to the county's tax ordinance to conform with the
4666 applicable amendments to Part 1, Tax Collection.
- 4667 (6) (a) Regardless of whether a county of the first class creates a tourism tax advisory
4668 board in accordance with Section 17-31-8, the county legislative body of the county
4669 of the first class shall create a tax advisory board in accordance with this Subsection
4670 (6).
- 4671 (b) The tax advisory board shall be composed of nine members appointed as follows:
4672 (i) four members shall be residents of a county of the first class appointed by the
4673 county legislative body of the county of the first class; and
4674 (ii) subject to Subsections (6)(c) and (d), five members shall be mayors of cities or
4675 towns within the county of the first class appointed by an organization
4676 representing all mayors of cities and towns within the county of the first class.
- 4677 (c) Five members of the tax advisory board constitute a quorum.
- 4678 (d) The county legislative body of the county of the first class shall determine:
4679 (i) terms of the members of the tax advisory board;
4680 (ii) procedures and requirements for removing a member of the tax advisory board;
4681 (iii) voting requirements, except that action of the tax advisory board shall be by at
4682 least a majority vote of a quorum of the tax advisory board;
4683 (iv) chairs or other officers of the tax advisory board;
4684 (v) how meetings are to be called and the frequency of meetings; and
4685 (vi) the compensation, if any, of members of the tax advisory board.
- 4686 (e) The tax advisory board under this Subsection (6) shall advise the county legislative

body of the county of the first class on the expenditure of revenue collected within the county of the first class from the taxes described in Subsection (1)(a).

(7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part shall be administered, collected, and enforced in accordance with:

(A) the same procedures used to administer, collect, and enforce the tax under:

(I) Part 1, Tax Collection; or

(II) Part 2, Local Sales and Use Tax Act; and

(B) Chapter 1, General Taxation Policies.

(ii) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or Subsections 59-12-205(2) through (5).

(b) Except as provided in Subsection (7)(c):

(i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenue to the county imposing the tax; and

(ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenue according to the distribution formula provided in Subsection (8).

(c) The commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the revenue the commission collects from a tax under this part.

(8) The commission shall distribute the revenue generated by the tax under Subsection (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the following formula:

(a) the commission shall distribute 70% of the revenue based on the percentages generated by dividing the revenue collected by each county under Subsection (1)(a)(i)(B) by the total revenue collected by all counties under Subsection (1)(a)(i)(B); and

(b) the commission shall distribute 30% of the revenue based on the percentages generated by dividing the population of each county collecting a tax under Subsection (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).

(9) (a) For purposes of this Subsection (9):

(i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2, County Annexation.

(ii) "Annexing area" means an area that is annexed into a county.

(b) (i) Except as provided in Subsection (9)(c), if a county enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or change shall

- 4721 take effect:
- 4722 (A) on the first day of a calendar quarter; and
- 4723 (B) after a 90-day period beginning on the day on which the commission receives
- 4724 notice meeting the requirements of Subsection (9)(b)(ii) from the county.
- 4725 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:
- 4726 (A) that the county will enact or repeal a tax or change the rate of a tax under this
- 4727 part;
- 4728 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);
- 4729 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and
- 4730 (D) if the county enacts the tax or changes the rate of the tax described in
- 4731 Subsection (9)(b)(ii)(A), the rate of the tax.
- 4732 (c) (i) If the billing period for a transaction begins before the effective date of the
- 4733 enactment of the tax or the tax rate increase imposed under Subsection (1), the
- 4734 enactment of the tax or the tax rate increase shall take effect on the first day of the
- 4735 first billing period that begins after the effective date of the enactment of the tax
- 4736 or the tax rate increase.
- 4737 (ii) If the billing period for a transaction begins before the effective date of the repeal
- 4738 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the
- 4739 tax or the tax rate decrease shall take effect on the first day of the last billing
- 4740 period that began before the effective date of the repeal of the tax or the tax rate
- 4741 decrease.
- 4742 (d) (i) Except as provided in Subsection (9)(e), if the annexation will result in the
- 4743 enactment, repeal, or change in the rate of a tax under this part for an annexing
- 4744 area, the enactment, repeal, or change shall take effect:
- 4745 (A) on the first day of a calendar quarter; and
- 4746 (B) after a 90-day period beginning on the day on which the commission receives
- 4747 notice meeting the requirements of Subsection (9)(d)(ii) from the county that
- 4748 annexes the annexing area.
- 4749 (ii) The notice described in Subsection (9)(d)(i)(B) shall state:
- 4750 (A) that the annexation described in Subsection (9)(d)(i) will result in an
- 4751 enactment, repeal, or change in the rate of a tax under this part for the annexing
- 4752 area;
- 4753 (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);
- 4754 (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and

(D) if the county enacts the tax or changes the rate of the tax described in Subsection (9)(d)(ii)(A), the rate of the tax.

- (e) (i) If the billing period for a transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of the tax or the tax rate increase shall take effect on the first day of the first billing period that begins after the effective date of the enactment of the tax or the tax rate increase.
- (ii) If the billing period for a transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax rate decrease shall take effect on the first day of the last billing period that began before the effective date of the repeal of the tax or the tax rate decrease.

Section 8. Section **59-12-1201** is amended to read:

59-12-1201 . Motor vehicle rental tax -- Rate -- Exemptions -- Administration, collection, and enforcement of tax -- Administrative charge -- Deposits.

- (1) (a) Except as provided in Subsections (3) and (4), there is imposed a tax of 2.5% on all short-term ~~[leases and]~~ rentals of motor vehicles ~~[not exceeding 30 days]~~.
- (b) The tax imposed in this section is in addition to all other state, county, or municipal fees and taxes imposed on rentals of motor vehicles.
- (2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax imposed under Subsection (1) shall take effect on the first day of a calendar quarter.
- (b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall take effect on the first day of the first billing period:
- (A) that begins after the effective date of the tax rate increase; and
- (B) if the billing period for the transaction begins before the effective date of a tax rate increase imposed under Subsection (1).
- (ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:
- (A) that began before the effective date of the repeal of the tax or the tax rate decrease; and
- (B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under Subsection (1).
- (3) ~~[Beginning on July 1, 2023, a]~~ A tax imposed under Subsection (1) applies at the same rate to car sharing of less than 30 days, except for ~~[- (a)]~~ car sharing for the purpose of

4789 temporarily replacing a person's motor vehicle that is being repaired pursuant to a
 4790 repair or an insurance agreement[; and] .
 4791 [~~(b) car sharing for more than 30 days.~~]

4792 (4) A motor vehicle is exempt from the tax imposed under Subsection (1) if:

4793 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

4794 (b) the motor vehicle is rented as a personal household goods moving van; or

4795 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily
 4796 replacing a person's motor vehicle that is being repaired pursuant to a repair
 4797 agreement or an insurance agreement.

4798 (5) (a) (i) The tax authorized under this section shall be administered, collected, and
 4799 enforced in accordance with:

4800 (A) the same procedures used to administer, collect, and enforce the tax under Part
 4801 1, Tax Collection; and

4802 (B) Chapter 1, General Taxation Policies.

4803 (ii) Notwithstanding Subsection (5)(a)(i), a tax under this part is not subject to
 4804 Subsections 59-12-103(4) through (9) or Section 59-12-107.1 or 59-12-123.

4805 (b) The commission shall retain and deposit an administrative charge in accordance with
 4806 Section 59-1-306 from the [~~revenues~~] revenue the commission collects from a tax
 4807 under this part.

4808 (c) Except as provided under Subsection (5)(b)[~~, all revenue received by the commission~~
 4809 ~~under this section shall be deposited daily with the state treasurer and credited~~
 4810 ~~monthly to the Marda Dillree Corridor Preservation Fund under Section 72-2-117]~~ :

4811 (i) the commission shall deposit daily with the state treasurer all revenue received
 4812 under this section; and

4813 (ii) the state treasurer shall credit monthly all revenue received under this section to
 4814 the Marda Dillree Corridor Preservation Fund under Section 72-2-117.

4815 **Section 9. Effective date.**

4816 This bill takes effect on July 1, 2024.