

Utah Tax Review Commission
2005 Proposed Study Items¹

I. Sales and Use Tax Exemptions

The TRC may wish to consider reviewing the following sales and use tax exemptions this year:

- A. Aviation, motor, and special fuels subject to a Utah state excise tax.
- B. Sales of a vehicle to an out-of-state resident if the vehicle will not be registered or used in this state.
- C. Isolated or occasional sales by non-business persons except for vehicles that must be registered.
- D. Intrastate movement of freight or passengers.
- E. Property brought into the state by a non-resident for personal use and enjoyment.
- F. Property upon which a sales or use tax was paid to some other state or a subdivision of ta state.
- G. Sales of certain boats to non-residents.
- H. Sales of aircraft manufactured in Utah for use outside Utah where a sales or use tax is not imposed.
- I. Fares charged to persons using public transit.
- J. Sales or leases of vehicles to, or use of vehicles by an authorized carrier.
- K. Amounts paid to a person providing intrastate transport of a business' employee.
- L. The lease or use of a vehicle issued a temporary sports event registration certificate for an event period.
- M. Sales to and by the Heber Valley Historic Railroad Authority. (See Section 9-3-311)

II. Oil and Gas Severance Tax

At its November 5, 2004 meeting, the TRC requested that the following information regarding the oil

and gas exploration and production industry be presented during the 2005 interim:

- A. The following information for Utah and for selected other major oil and gas producing states:
 - 1. exploration and production costs;
 - 2. definition of the oil and gas severance tax base;
 - 3. the oil and gas severance tax rate; and
 - 4. the effective oil and gas severance tax rate.
- B. Oil and gas production by size of company.
- C. Whether or not to establish some type of permanent trust fund into which revenues from the oil and gas severance tax would be deposited.

III. Land Value Property Tax Study

2005 General Session SB 53, "Land Value Property Tax Study" directs the TRC to conduct a study relating to land value property tax systems during the 2005 interim. SB 53 also authorizes the creation of a subcommittee to assist with this study.

IV. Imposing the Individual Income Tax on Trusts and Estates

Part 2, Chapter 10, Title 59 of the Utah Code imposes a tax on the state taxable income of each resident estate or trust, except for trusts taxed as corporations. The TRC has received a request to review this tax.

1. This listing only includes those study items held over from last year and new study issues from the Legislature. TRC members may wish to revise this list, including the addition of other study items.