

# FISCAL NOTE

H.B. 36

**SHORT TITLE:** Sales and Use Tax - Computer Software and Other Tangible Personal Property Amendments

**SPONSOR:** Harper, W.

2012 GENERAL SESSION

## STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill modifies the taxation of certain software maintenance contracts. Currently taxpayers apply tax in a variety of ways as a result the actual impact of the change is unknown. For each 1 percent impact on computer maintenance contracts either positive or negative there could be an fiscal impact of \$6,700.

## LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill likely will not result in direct, measurable costs for local governments.

## DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Businesses utilizing computer maintenance contracts could see a benefit or a cost depending on how they are currently applying the statute.