

**59-2-1114 Exemption of inventory or other tangible personal property held for sale.**

- (1) Tangible personal property present in Utah on the assessment date, at noon, held for sale in the ordinary course of business or for shipping to a final out-of-state destination within 12 months and which constitutes the inventory of any retailer, wholesaler, distributor, processor, warehouseman, manufacturer, producer, gatherer, transporter, storage provider, farmer, or livestock raiser, is exempt from property taxation.
- (2) This exemption does not apply to:
  - (a) inventory which is not otherwise subject to personal property taxation;
  - (b) mines;
  - (c) natural deposits; or
  - (d) a manufactured home or mobile home which is sited at a location where occupancy could take place.
- (3) As used in this section:
  - (a) "Assessment date" means:
    - (i) for tangible personal property and vehicles other than vehicles described in Subsection (3)(a)(ii), January 1; and
    - (ii) for vehicles brought into Utah from out-of-state, the date the vehicles are brought into Utah.
  - (b) "Inventory" means all items of tangible personal property described as materials, containers, goods in process, finished goods, severed minerals, and other personal property owned by or in possession of the person claiming the exemption.
  - (c)
    - (i) "Mine" means a natural deposit of either metalliferous or nonmetalliferous valuable mineral.
    - (ii) "Mine" does not mean a severed mineral.
  - (d) "Natural deposit" means a metalliferous or nonmetalliferous mineral located at or below ground level that has not been severed or extracted from its natural state.
  - (e) "Severed mineral" means any mineral that has been previously severed or extracted from a natural deposit including severed or extracted minerals that:
    - (i) are stored above, below, or within the ground; and
    - (ii) are ultimately recoverable for future sale.
- (4) The commission may adopt rules to implement the inventory exemption.

Amended by Chapter 324, 2010 General Session