

**REGISTRATION AND TAXATION OF
VEHICLES FOR SPORTS EVENTS**

2001 FIRST SPECIAL SESSION

STATE OF UTAH

Sponsor: John W. Hickman

This act modifies provisions related to Motor Vehicles and Revenue and Taxation to address the issuance of temporary permits or temporary sports event registration certificates by the Motor Vehicle Enforcement Division or a motor vehicle dealer, and to address the suspension or revocation of the authority of a motor vehicle dealer to issue a temporary permit or a temporary sports event registration certificate. The act requires the Motor Vehicle Enforcement Division to impose fees for issuing a temporary permit or a temporary sports event registration certificate, and provides that the fees may be used as dedicated credits toward the costs of the division. The act subjects a motor vehicle issued a temporary sports event registration certificate to a \$5 uniform fee in lieu of property taxes, addresses the imposition of property taxes and uniform fees on tangible personal property, and provides a sales and use tax exemption for the lease or use of a motor vehicle issued a temporary sports event registration certificate. The act makes technical changes.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

41-1a-202, as last amended by Chapter 245, Laws of Utah 1998

41-3-304, as renumbered and amended by Chapter 234, Laws of Utah 1992

59-2-405, as last amended by Chapter 322, Laws of Utah 1998

59-2-405.1, as enacted by Chapter 322, Laws of Utah 1998

59-12-104, as last amended by Chapters 170, 243 and 262, Laws of Utah 2001

ENACTS:

41-3-306, Utah Code Annotated 1953

41-3-603, Utah Code Annotated 1953

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

Section 1. Section **41-1a-202** is amended to read:

41-1a-202. Definitions -- Vehicles exempt from registration -- Registration of vehicles after establishing residency.

(1) In this section:

(a) "Domicile" means the place:

(i) where an individual has a fixed permanent home and principal establishment;

(ii) to which the individual if absent, intends to return; and

(iii) in which the individual and his family voluntarily reside, not for a special or temporary purpose, but with the intention of making a permanent home.

(b) (i) "Resident" means any of the following:

(A) an individual who:

(I) has established a domicile in this state;

(II) regardless of domicile, remains in this state for an aggregate period of six months or more during any calendar year;

(III) engages in a trade, profession, or occupation in this state or who accepts employment in other than seasonal work in this state and who does not commute into the state;

(IV) declares himself to be a resident of this state for the purpose of obtaining a driver license or motor vehicle registration; or

(V) declares himself a resident of Utah to obtain privileges not ordinarily extended to nonresidents, including going to school, or placing children in school without paying nonresident tuition or fees;

(B) any individual, partnership, limited liability company, firm, corporation, association, or other entity that:

(I) maintains a main office, branch office, or warehouse facility in this state and that bases and operates a motor vehicle in this state; or

(II) operates a motor vehicle in intrastate transportation for other than seasonal work.

(ii) "Resident" does not include any of the following:

(A) a member of the military temporarily stationed in Utah; and

(B) an out-of-state student, as classified by the institution of higher education, enrolled with

the equivalent of seven or more quarter hours, regardless of whether the student engages in a trade, profession, or occupation in this state or accepts employment in this state.

(2) Registration under this chapter is not required for any:

(a) vehicle registered in another state and owned by a nonresident of the state or operating under a temporary registration permit issued by the division or a dealer authorized by this chapter, driven or moved upon a highway in conformance with the provisions of this chapter relating to manufacturers, transporters, dealers, lien holders, or interstate vehicles;

(b) vehicle driven or moved upon a highway only for the purpose of crossing the highway from one property to another;

(c) implement of husbandry, whether of a type otherwise subject to registration or not, that is only incidentally operated or moved upon a highway;

(d) special mobile equipment;

(e) vehicle owned or leased by the federal government;

(f) motor vehicle not designed, used, or maintained for the transportation of passengers for hire or for the transportation of property if the motor vehicle is registered in another state and is owned and operated by a nonresident of this state;

(g) vehicle or combination of vehicles designed, used, or maintained for the transportation of persons for hire or for the transportation of property if the vehicle or combination of vehicles is registered in another state and is owned and operated by a nonresident of this state and if the vehicle or combination of vehicles has a gross laden weight of 26,000 pounds or less;

(h) trailer of 750 pounds or less unladen weight and not designed, used, and maintained for hire for the transportation of property or person;

(i) manufactured home or mobile home;

(j) off-highway vehicle currently registered under Section 41-22-3 if the off-highway vehicle is:

(i) being towed;

(ii) operated on a street or highway designated as open to off-highway vehicle use; or

(iii) operated in the manner prescribed in Section 41-22-10.3;

(k) off-highway implement of husbandry operated in the manner prescribed in Subsections 41-22-5.5(3) through (5);

(l) modular and prebuilt homes conforming to the uniform building code and presently regulated by the United States Department of Housing and Urban Development that are not constructed on a permanent chassis;

(m) electric assisted bicycles defined under Section 41-6-1; or

(n) motor assisted scooters defined under Section 41-6-1.

(3) Unless otherwise exempted under Subsection (2), registration under this chapter is required for any motor vehicle, combination of vehicles, trailer, semitrailer, or vintage vehicle within 60 days of the owner establishing residency in this state.

(4) A motor vehicle that is registered under Section 41-3-306 is exempt from the registration requirements of this part for the time period that the registration under Section 41-3-306 is valid.

Section 2. Section **41-3-304** is amended to read:

41-3-304. Temporary permits -- Temporary sports event registration certificate -- Suspension or revocation of dealer's authority to issue -- Return of temporary permits to division -- Refunds -- Appeal.

(1) The division may suspend or revoke ~~[the privilege of issuing]~~ a dealer's authority to issue a temporary ~~[permits when it]~~ permit or a temporary sports event registration certificate under this part if the division determines the dealer has failed to comply with this chapter or with any rules made by the ~~[administrator]~~ commission under ~~[Section 41-3-302]~~ this part.

(2) (a) Suspension or revocation of authority to issue a temporary ~~[permits]~~ permit or a temporary sports event registration certificate takes effect immediately upon written notification to the ~~[licensee]~~ dealer by the division.

(b) Upon notification, the ~~[licensee]~~ dealer shall immediately return all temporary permits to the division.

(c) ~~[If]~~ Subject to Subsection (2)(d), if the authority to issue a temporary permit under Section 41-3-302 is revoked or suspended for more than 30 days, the dealer may apply for a refund of the money paid to the division only for ~~[all]~~ temporary permits described in Section 41-3-302 that

are returned prior to issuance.

(d) ~~[Permits]~~ Temporary permits being returned may not have ever been issued, written on, or separated from their stubs, and shall be in useable condition.

~~[(3) Failure to return the permits or to continue issuing them after the authority is suspended or revoked is a violation of this chapter and grounds for automatic suspension of a dealer's license.]~~

(3) If the division suspends or revokes a dealer's authority to issue a temporary permit or a temporary sports event registration certificate as provided in this section, each of the following is a violation of this chapter and grounds for automatic suspension of the dealer's license:

(a) failure to return a temporary permit to the division as provided in this section; or

(b) issuing a:

(i) temporary permit; or

(ii) temporary sports event registration certificate.

(4) (a) ~~[If a licensee desires to]~~ A dealer may appeal the division's suspension or revocation[; he shall file] by filing a written appeal with the administrator within ten days of the suspension or revocation.

(b) Upon receiving the ~~[licensee's]~~ dealer's written appeal, the administrator shall set a hearing for not more than 20 days from the date the written appeal is received.

~~[(c) The licensee may not continue to issue or possess any temporary permits while his authority is suspended or revoked.]~~

~~[(d) The]~~ (c) A hearing [and subsequent] or appeal [process are] under this section shall be conducted in accordance with Title 63, Chapter 46b, Administrative Procedures Act.

Section 3. Section **41-3-306** is enacted to read:

41-3-306. Temporary sports event registration -- Definitions -- Issuance -- Fees -- Expiration -- Rulemaking authority.

(1) As used in this section:

(a) "Distributor-provided vehicle" means a motor vehicle:

(i) that has never been titled or registered in any state; and

(ii) the use of which is donated by a distributor licensed under Part 2, Licensing, through a dealer licensed under Part 2, Licensing.

(b) (i) "Event period" means a time period:

(A) during which a sports event takes place;

(B) not to exceed 180 consecutive calendar days; and

(C) specified by the division on a temporary sports event registration certificate.

(ii) "Event period" may include one or more of the following time periods if the division determines that good cause exists for including the time period within the event period:

(A) a reasonable time period before a sports event as determined by the division; or

(B) a reasonable time period after a sports event as determined by the division.

(c) (i) Notwithstanding Section 41-3-102 and except as provided in Subsection (1)(c)(ii), "motor vehicle" means a motor vehicle that is subject to the uniform fee imposed by Section 59-2-405.1.

(ii) "Motor vehicle" does not include a state-assessed commercial vehicle as defined in Section 59-2-102.

(d) (i) "Sports event" means an amateur or professional:

(A) sports:

(I) game;

(II) race; or

(III) contest; or

(B) athletic:

(I) game;

(II) race; or

(III) contest.

(ii) "Sports event" includes a game, race, or contest described in Subsection (1)(d)(i) that is:

(A) an independent game, race, or contest; or

(B) a part of another event or activity regardless of whether the other event or activity is an event or activity relating to sports or athletics.

(e) "Temporary sports event registration certificate" means a motor vehicle certificate of registration issued by the division to a dealer in accordance with this section.

(2) Beginning on September 1, 2001, the division may register a motor vehicle for an event period by issuing to a dealer licensed under Part 2, Licensing, a temporary sports event registration certificate if the division determines that:

(a) the motor vehicle is a distributor-provided vehicle;

(b) the motor vehicle will be used for a sports event within the state during the event period;

and

(c) the dealer provides the division an application stating:

(i) the person to whom the distributor is donating use of the motor vehicle;

(ii) the motor vehicle identification number;

(iii) the motor vehicle:

(A) make;

(B) model; and

(C) year;

(iv) the name of the sports event;

(v) the beginning date and ending date of the sports event; and

(vi) any other information the division requires.

(3) If the division issues a temporary sports event registration certificate to a dealer licensed under Part 2, Licensing:

(a) the division:

(i) shall specify the event period on the temporary sports event registration certificate; and

(ii) may specify any other information on the temporary sports event registration certificate as determined by the division; and

(b) the dealer shall for each motor vehicle for which the division issues a temporary sports event registration certificate:

(i) pay the:

(A) registration fees required by Chapter 1a, Part 12, Fee and Tax Requirements; and

(B) uniform fee required by Section 59-2-405.1; and
(ii) place the temporary sports event registration certificate in the rear license plate holder of the motor vehicle.

(4) A temporary sports event registration certificate issued by the division under this section is valid for the event period specified on the temporary sports event registration certificate.

(5) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may make rules:

(a) specifying the information to be provided to the division by a dealer or a person using a distributor-provided vehicle in connection with the issuance of a temporary sports event registration certificate;

(b) specifying the form for a temporary sports event registration certificate; or

(c) defining the terms:

(i) "reasonable time period before a sports event"; and

(ii) "reasonable time period after a sports event."

Section 4. Section **41-3-603** is enacted to read:

41-3-603. Fees for temporary permits and temporary sports event registration certificates -- Dedicated credits -- Use of fees.

(1) A dealer shall pay to the division a fee of \$6 for each of the following the division issues to the dealer:

(a) a temporary permit under Section 41-3-302; or

(b) a temporary sports event registration certificate under Section 41-3-306.

(2) The division may use fees collected under Subsection (1) as dedicated credits to be used toward the costs of the division.

Section 5. Section **59-2-405** is amended to read:

59-2-405. Uniform fee on tangible personal property required to be registered with the state -- Distribution of revenues -- Appeals.

(1) The property described in Subsection (2), except Subsections (2)(b)(ii) and (iii), is exempt from ad valorem property taxes pursuant to Utah Constitution Article XIII, Section 14.

(2) (a) Except as provided in Subsection (2)(b), there is levied [~~an annual~~] as provided in this part a statewide uniform fee in lieu of the ad valorem tax on:

(i) motor vehicles required to be registered with the state that weigh 12,001 pounds or more;

(ii) motorcycles as defined in Section 41-1a-102 that are required to be registered with the state;

~~[(ii)]~~ (iii) watercraft required to be registered with the state;

~~[(iii)]~~ (iv) recreational vehicles required to be registered with the state; and

~~[(iv)]~~ (v) all other tangible personal property required to be registered with the state before it is used on a public highway, on a public waterway, on public land, or in the air.

(b) The following personal property is exempt from the statewide uniform fee imposed by this section:

(i) aircraft;

(ii) vintage vehicles as defined in Section 41-21-1;

(iii) state-assessed commercial vehicles; [~~and~~]

(iv) tangible personal property subject to a uniform fee imposed by Section 59-2-405.1; and

~~[(iv)]~~ (v) personal property that is exempt from state or county ad valorem property taxes under the laws of this state or of the federal government.

(3) Beginning on January 1, 1999, the uniform fee is 1.5% of the fair market value of the personal property, as established by the commission.

(4) Notwithstanding Section 59-2-407, property subject to the uniform fee that is brought into the state and is required to be registered in Utah shall, as a condition of registration, be subject to the uniform fee unless all property taxes or uniform fees imposed by the state of origin have been paid for the current calendar year.

(5) (a) The revenues collected in each county from the uniform fee shall be distributed by the county to each taxing entity in which the property described in Subsection (2) is located in the same proportion in which revenue collected from ad valorem real property tax is distributed.

(b) Each taxing entity shall distribute the revenues received under Subsection (5)(a) in the same proportion in which revenue collected from ad valorem real property tax is distributed.

(6) Appeals of the valuation of the tangible personal property described in Subsection (2) shall be filed pursuant to Section 59-2-1005.

Section 6. Section **59-2-405.1** is amended to read:

59-2-405.1. Uniform fee on certain vehicles weighing 12,000 pounds or less --

Distribution of revenues -- Appeals.

(1) The property described in Subsection (2), except Subsection (2)(b)(ii), is exempt from ad valorem property taxes pursuant to Utah Constitution Article XIII, Section 14.

(2) (a) Except as provided in Subsection (2)(b), there is levied [~~an annual~~] as provided in this part a statewide uniform fee in lieu of the ad valorem tax on:

(i) motor vehicles as defined in Section 41-1a-102 that:

(A) are required to be registered with the state [that]; and

(B) weigh 12,000 pounds or less; and

(ii) state-assessed commercial vehicles required to be registered with the state that weigh 12,000 pounds or less.

(b) The following personal property is exempt from the statewide uniform fee imposed by this section:

(i) aircraft;

(ii) vintage vehicles as defined in Section 41-21-1; [~~and~~]

(iii) tangible personal property subject to the uniform fee imposed by Section 59-2-405; and

[(iii)] (iv) tangible personal property that is exempt from state or county ad valorem property taxes under the laws of this state or of the federal government.

(3) [~~Beginning~~] (a) Except as provided in Subsection (3)(b), beginning on January 1, 1999, the uniform fee [under Subsection (2)] for purposes of this section is as follows:

Age of Vehicle	Uniform Fee
12 or more years	\$10
9 or more years but less than 12 years	\$50
6 or more years but less than 9 years	\$80
3 or more years but less than 6 years	\$110

Less than 3 years

\$150

(b) Notwithstanding Subsection (3)(a), beginning on September 1, 2001, for a motor vehicle issued a temporary sports event registration certificate in accordance with Section 41-3-306, the uniform fee for purposes of this section is \$5 for the event period specified on the temporary sports event registration certificate regardless of the age of the motor vehicle.

(4) Notwithstanding Section 59-2-407, property subject to the uniform fee that is brought into the state and is required to be registered in Utah shall, as a condition of registration, be subject to the uniform fee unless all property taxes or uniform fees imposed by the state of origin have been paid for the current calendar year.

(5) (a) The revenues collected in each county from the uniform fee shall be distributed by the county to each taxing entity in which the property described in Subsection (2) is located in the same proportion in which revenue collected from ad valorem real property tax is distributed.

(b) Each taxing entity shall distribute the revenues received under Subsection (5)(a) in the same proportion in which revenue collected from ad valorem real property tax is distributed.

(6) Appeals of the valuation of the tangible personal property described in Subsection (2) shall be filed pursuant to Section 59-2-1005.

Section 7. Section **59-12-104** is amended to read:

59-12-104. Exemptions.

The following sales and uses are exempt from the taxes imposed by this chapter:

(1) sales of aviation fuel, motor fuel, and special fuel subject to a Utah state excise tax under Chapter 13, Motor and Special Fuel Tax Act;

(2) sales to the state, its institutions, and its political subdivisions; however, this exemption does not apply to sales of construction materials except:

(a) construction materials purchased by or on behalf of institutions of the public education system as defined in Utah Constitution Article X, Section 2, provided the construction materials are clearly identified and segregated and installed or converted to real property which is owned by institutions of the public education system; and

(b) construction materials purchased by the state, its institutions, or its political subdivisions

which are installed or converted to real property by employees of the state, its institutions, or its political subdivisions;

(3) sales of food, beverage, and dairy products from vending machines in which the proceeds of each sale do not exceed \$1 if the vendor or operator of the vending machine reports an amount equal to 150% of the cost of items as goods consumed;

(4) sales of food, beverage, dairy products, similar confections, and related services to commercial airline carriers for in-flight consumption;

(5) sales of parts and equipment installed in aircraft operated by common carriers in interstate or foreign commerce;

(6) sales of commercials, motion picture films, prerecorded audio program tapes or records, and prerecorded video tapes by a producer, distributor, or studio to a motion picture exhibitor, distributor, or commercial television or radio broadcaster;

(7) sales of cleaning or washing of tangible personal property by a coin-operated laundry or dry cleaning machine;

(8) (a) except as provided in Subsection (8)(b), sales made to or by religious or charitable institutions in the conduct of their regular religious or charitable functions and activities, if the requirements of Section 59-12-104.1 are fulfilled;

(b) the exemption provided for in Subsection (8)(a) does not apply to the following sales, uses, leases, or rentals relating to the Olympic Winter Games of 2002 made to or by an organization exempt from federal income taxation under Section 501(c)(3), Internal Revenue Code:

(i) retail sales of Olympic merchandise;

(ii) except as provided in Subsection (51), admissions or user fees described in Subsection 59-12-103(1)(f);

(iii) sales of accommodations and services as provided in Subsection 59-12-103(1)(i), except for accommodations and services:

(A) paid for in full by the Salt Lake Organizing Committee for the Olympic Winter Games of 2002;

(B) exclusively used by:

- (I) an officer, a trustee, or an employee of the Salt Lake Organizing Committee for the Olympic Winter Games of 2002; or
- (II) a volunteer supervised by the Salt Lake Organizing Committee for the Olympic Winter Games of 2002; and
- (C) for which the Salt Lake Organizing Committee for the Olympic Winter Games of 2002 does not receive reimbursement; or
- (iv) a lease or rental of a vehicle as defined in Section 41-1a-102, except for a lease or rental of a vehicle:
 - (A) paid for in full by the Salt Lake Organizing Committee for the Olympic Winter Games of 2002;
 - (B) exclusively used by:
 - (I) an officer, a trustee, or an employee of the Salt Lake Organizing Committee for the Olympic Winter Games of 2002; or
 - (II) a volunteer supervised by the Salt Lake Organizing Committee for the Olympic Winter Games of 2002; and
 - (C) for which the Salt Lake Organizing Committee for the Olympic Winter Games of 2002 does not receive reimbursement;
- (9) sales of vehicles of a type required to be registered under the motor vehicle laws of this state which are made to bona fide nonresidents of this state and are not afterwards registered or used in this state except as necessary to transport them to the borders of this state;
- (10) sales of medicine;
- (11) sales or use of property, materials, or services used in the construction of or incorporated in pollution control facilities allowed by Sections 19-2-123 through 19-2-127;
- (12) (a) sales of meals served by:
 - (i) the following if the meals are not available to the general public:
 - (A) a church; or
 - (B) a charitable institution;
 - (ii) an institution of higher education if:

- (A) the meals are not available to the general public; or
- (B) the meals are prepaid as part of a student meal plan offered by the institution of higher education; or
- (b) inpatient meals provided at:
 - (i) a medical facility; or
 - (ii) a nursing facility;
- (13) isolated or occasional sales by persons not regularly engaged in business, except the sale of vehicles or vessels required to be titled or registered under the laws of this state in which case the tax is based upon:
 - (a) the bill of sale or other written evidence of value of the vehicle or vessel being sold; or
 - (b) in the absence of a bill of sale or other written evidence of value, the then existing fair market value of the vehicle or vessel being sold as determined by the commission;
- (14) (a) the following purchases or leases by a manufacturer on or after July 1, 1995:
 - (i) machinery and equipment:
 - (A) used in the manufacturing process;
 - (B) having an economic life of three or more years; and
 - (C) used:
 - (I) to manufacture an item sold as tangible personal property; and
 - (II) in new or expanding operations in a manufacturing facility in the state; and
 - (ii) subject to the provisions of Subsection (14)(b), normal operating replacements that:
 - (A) have an economic life of three or more years;
 - (B) are used in the manufacturing process in a manufacturing facility in the state;
 - (C) are used to replace or adapt an existing machine to extend the normal estimated useful life of the machine; and
 - (D) do not include repairs and maintenance;
- (b) the rates for the exemption under Subsection (14)(a)(ii) are as follows:
 - (i) beginning July 1, 1996, through June 30, 1997, 30% of the sale or lease described in Subsection (14)(a)(ii) is exempt;

(ii) beginning July 1, 1997, through June 30, 1998, 60% of the sale or lease described in Subsection (14)(a)(ii) is exempt; and

(iii) beginning July 1, 1998, 100% of the sale or lease described in Subsection (14)(a)(ii) is exempt;

(c) for purposes of this Subsection (14), the commission shall by rule define the terms "new or expanding operations" and "establishment"; and

(d) on or before October 1, 1991, and every five years after October 1, 1991, the commission shall:

(i) review the exemptions described in Subsection (14)(a) and make recommendations to the Revenue and Taxation Interim Committee concerning whether the exemptions should be continued, modified, or repealed; and

(ii) include in its report:

(A) the cost of the exemptions;

(B) the purpose and effectiveness of the exemptions; and

(C) the benefits of the exemptions to the state;

(15) sales of tooling, special tooling, support equipment, and special test equipment used or consumed exclusively in the performance of any aerospace or electronics industry contract with the United States government or any subcontract under that contract, but only if, under the terms of that contract or subcontract, title to the tooling and equipment is vested in the United States government as evidenced by a government identification tag placed on the tooling and equipment or by listing on a government-approved property record if a tag is impractical;

(16) intrastate movements of:

(a) freight by common carriers; and

(b) passengers:

(i) by taxicabs as described in SIC Code 4121 of the 1987 Standard Industrial Classification Manual of the federal Executive Office of the President, Office of Management and Budget; or

(ii) transported by an establishment described in SIC Code 4111 of the 1987 Standard Industrial Classification Manual of the federal Executive Office of the President, Office of

Management and Budget, if the transportation originates and terminates within a county of the first, second, or third class;

(17) sales of newspapers or newspaper subscriptions;

(18) tangible personal property, other than money, traded in as full or part payment of the purchase price, except that for purposes of calculating sales or use tax upon vehicles not sold by a vehicle dealer, trade-ins are limited to other vehicles only, and the tax is based upon:

(a) the bill of sale or other written evidence of value of the vehicle being sold and the vehicle being traded in; or

(b) in the absence of a bill of sale or other written evidence of value, the then existing fair market value of the vehicle being sold and the vehicle being traded in, as determined by the commission;

(19) sprays and insecticides used to control insects, diseases, and weeds for commercial production of fruits, vegetables, feeds, seeds, and animal products, but not those sprays and insecticides used in the processing of the products;

(20) (a) sales of tangible personal property used or consumed primarily and directly in farming operations, including sales of irrigation equipment and supplies used for agricultural production purposes, whether or not they become part of real estate and whether or not installed by farmer, contractor, or subcontractor, but not sales of:

(i) machinery, equipment, materials, and supplies used in a manner that is incidental to farming, such as hand tools with a unit purchase price not in excess of \$250, and maintenance and janitorial equipment and supplies;

(ii) tangible personal property used in any activities other than farming, such as office equipment and supplies, equipment and supplies used in sales or distribution of farm products, in research, or in transportation; or

(iii) any vehicle required to be registered by the laws of this state, without regard to the use to which the vehicle is put;

(b) sales of hay;

(21) exclusive sale of locally grown seasonal crops, seedling plants, or garden, farm, or other

agricultural produce if sold by a producer during the harvest season;

(22) purchases of food as defined in 7 U.S.C. Sec. 2012(g) under the Food Stamp Program, 7 U.S.C. Sec. 2011 et seq.;

(23) sales of nonreturnable containers, nonreturnable labels, nonreturnable bags, nonreturnable shipping cases, and nonreturnable casings to a manufacturer, processor, wholesaler, or retailer for use in packaging tangible personal property to be sold by that manufacturer, processor, wholesaler, or retailer;

(24) property stored in the state for resale;

(25) property brought into the state by a nonresident for his or her own personal use or enjoyment while within the state, except property purchased for use in Utah by a nonresident living and working in Utah at the time of purchase;

(26) property purchased for resale in this state, in the regular course of business, either in its original form or as an ingredient or component part of a manufactured or compounded product;

(27) property upon which a sales or use tax was paid to some other state, or one of its subdivisions, except that the state shall be paid any difference between the tax paid and the tax imposed by this part and Part 2, Local Sales and Use Tax Act, and no adjustment is allowed if the tax paid was greater than the tax imposed by this part and Part 2, Local Sales and Use Tax Act;

(28) any sale of a service described in Subsections 59-12-103(1)(b), (c), and (d) to a person for use in compounding a service taxable under the subsections;

(29) purchases of supplemental foods as defined in 42 U.S.C. Sec. 1786(b)(14) under the special supplemental nutrition program for women, infants, and children established in 42 U.S.C. Sec. 1786;

(30) beginning on July 1, 1999, through June 30, 2004, sales or leases of rolls, rollers, refractory brick, electric motors, or other replacement parts used in the furnaces, mills, or ovens of a steel mill described in SIC Code 3312 of the 1987 Standard Industrial Classification Manual of the federal Executive Office of the President, Office of Management and Budget;

(31) sales of boats of a type required to be registered under Title 73, Chapter 18, State Boating Act, boat trailers, and outboard motors which are made to bona fide nonresidents of this state

and are not thereafter registered or used in this state except as necessary to transport them to the borders of this state;

(32) sales of tangible personal property to persons within this state that is subsequently shipped outside the state and incorporated pursuant to contract into and becomes a part of real property located outside of this state, except to the extent that the other state or political entity imposes a sales, use, gross receipts, or other similar transaction excise tax on it against which the other state or political entity allows a credit for taxes imposed by this chapter;

(33) sales of aircraft manufactured in Utah if sold for delivery and use outside Utah where a sales or use tax is not imposed, even if the title is passed in Utah;

(34) amounts paid for the purchase of telephone service for purposes of providing telephone service;

(35) fares charged to persons transported directly by a public transit district created under the authority of Title 17A, Chapter 2, Part 10, Utah Public Transit District Act;

(36) sales or leases of vehicles to, or use of vehicles by an authorized carrier;

(37) (a) 45% of the sales price of any new manufactured home; and

(b) 100% of the sales price of any used manufactured home;

(38) sales relating to schools and fundraising sales;

(39) sales or rentals of home medical equipment and supplies;

(40) (a) sales to a ski resort of electricity to operate a passenger ropeway as defined in Section 72-11-102; and

(b) the commission shall by rule determine the method for calculating sales exempt under Subsection (40)(a) that are not separately metered and accounted for in utility billings;

(41) sales to a ski resort of:

(a) snowmaking equipment;

(b) ski slope grooming equipment; and

(c) passenger ropeways as defined in Section 72-11-102;

(42) sales of natural gas, electricity, heat, coal, fuel oil, or other fuels for industrial use;

(43) sales or rentals of the right to use or operate for amusement, entertainment, or recreation

a coin-operated amusement device as defined in Section 59-12-102;

(44) sales of cleaning or washing of tangible personal property by a coin-operated car wash machine;

(45) sales by the state or a political subdivision of the state, except state institutions of higher education as defined in Section 53B-3-102, of:

(a) photocopies; or

(b) other copies of records held or maintained by the state or a political subdivision of the state; and

(46) (a) amounts paid:

(i) to a person providing intrastate transportation to an employer's employee to or from the employee's primary place of employment;

(ii) by an:

(A) employee; or

(B) employer; and

(iii) pursuant to a written contract between:

(A) the employer; and

(B) (I) the employee; or

(II) a person providing transportation to the employer's employee; and

(b) in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may for purposes of Subsection (46)(a) make rules defining what constitutes an employee's primary place of employment;

(47) amounts paid for admission to an athletic event at an institution of higher education that is subject to the provisions of Title IX of the Education Amendments of 1972, 20 U.S.C. Sec. 1681 et seq.;

(48) sales of telephone service charged to a prepaid telephone calling card;

(49) (a) sales of hearing aids; and

(b) sales of hearing aid accessories;

(50) (a) sales made to or by:

- (i) an area agency on aging; or
- (ii) a senior citizen center owned by a county, city, or town; or
- (b) sales made by a senior citizen center that contracts with an area agency on aging;

(51) (a) beginning on July 1, 2000, through June 30, 2002, amounts paid or charged as admission or user fees described in Subsection 59-12-103(1)(f) relating to the Olympic Winter Games of 2002 if the amounts paid or charged are established by the Salt Lake Organizing Committee for the Olympic Winter Games of 2002 in accordance with requirements of the International Olympic Committee; and

(b) the State Olympic Officer and the Salt Lake Organizing Committee for the Olympic Winter Games of 2002 shall make at least two reports during the 2000 interim:

- (i) to the:
 - (A) Olympic Coordination Committee; and
 - (B) Revenue and Taxation Interim Committee; and
- (ii) regarding the status of:

(A) agreements relating to the funding of public safety services for the Olympic Winter Games of 2002;

(B) agreements relating to the funding of services, other than public safety services, for the Olympic Winter Games of 2002;

(C) other agreements relating to the Olympic Winter Games of 2002 as requested by the Olympic Coordination Committee or the Revenue and Taxation Interim Committee;

(D) other issues as requested by the Olympic Coordination Committee or the Revenue and Taxation Interim Committee; or

(E) a combination of Subsections (51)(b)(ii)(A) through (D);

(52) (a) beginning on July 1, 2001, through June 30, 2004, and subject to Subsection (52)(b), a sale or lease of semiconductor fabricating or processing materials regardless of whether the semiconductor fabricating or processing materials:

- (i) actually come into contact with a semiconductor; or
- (ii) ultimately become incorporated into real property;

(b) (i) beginning on July 1, 2001, through June 30, 2002, 10% of the sale or lease described in Subsection (52)(a) is exempt;

(ii) beginning on July 1, 2002, through June 30, 2003, 50% of the sale or lease described in Subsection (52)(a) is exempt; and

(iii) beginning on July 1, 2003, through June 30, 2004, the entire amount of the sale or lease described in Subsection (52)(a) is exempt; and

(c) each year on or before the November interim meeting, the Revenue and Taxation Interim Committee shall:

(i) review the exemption described in this Subsection (52) and make recommendations concerning whether the exemption should be continued, modified, or repealed; and

(ii) include in the review under this Subsection (52)(c):

(A) the cost of the exemption;

(B) the purpose and effectiveness of the exemption; and

(C) the benefits of the exemption to the state; [~~and~~]

(53) an amount paid by or charged to a purchaser for accommodations and services described in Subsection 59-12-103(1)(i) to the extent the amount is exempt under Section 59-12-104.2[-]; or

(54) beginning on September 1, 2001, the lease or use of a vehicle issued a temporary sports event registration certificate in accordance with Section 41-3-306 for the event period specified on the temporary sports event registration certificate.