



30 **63I-2-263**, as last amended by Laws of Utah 2018, Chapters 38, 95, 382, and 469

31 **63N-3-105**, as last amended by Laws of Utah 2016, Chapter 34

32 REPEALS:

33 **53A-1a-804**, as enacted by Laws of Utah 2007, Chapter 30

34 **53A-1a-805**, as enacted by Laws of Utah 2007, Chapter 30

35 **53A-1a-806**, as last amended by Laws of Utah 2011, Chapter 342

36 **53A-1a-808**, as last amended by Laws of Utah 2008, Chapter 382

37 **53A-1a-811**, as enacted by Laws of Utah 2007, Chapter 30

38 **53E-10-601**, as renumbered and amended by Laws of Utah 2018, Chapter 1

39 **53E-10-602**, as renumbered and amended by Laws of Utah 2018, Chapter 1

40 **53E-10-603**, as renumbered and amended by Laws of Utah 2018, Chapter 1

41 **53E-10-604**, as renumbered and amended by Laws of Utah 2018, Chapter 1

42 **53E-10-605**, as renumbered and amended by Laws of Utah 2018, Chapter 1

43 **53E-10-606**, as renumbered and amended by Laws of Utah 2018, Chapter 1

44 **53E-10-607**, as renumbered and amended by Laws of Utah 2018, Chapter 1

45 **53E-10-608**, as renumbered and amended by Laws of Utah 2018, Chapter 1

46 **53E-10-609**, as renumbered and amended by Laws of Utah 2018, Chapter 1

47 **53F-2-313**, as renumbered and amended by Laws of Utah 2018, Chapter 2

48 **53F-2-413**, as renumbered and amended by Laws of Utah 2018, Chapter 2

49 **53F-2-509**, as renumbered and amended by Laws of Utah 2018, Chapter 2

50 **53F-2-517**, as renumbered and amended by Laws of Utah 2018, Chapter 2

51 **53F-2-518**, as renumbered and amended by Laws of Utah 2018, Chapter 2

52 **53F-5-208**, as renumbered and amended by Laws of Utah 2018, Chapter 2

53 **53F-6-202**, as renumbered and amended by Laws of Utah 2018, Chapter 2

54 **53G-3-103**, as renumbered and amended by Laws of Utah 2018, Chapter 3

55 **53G-4-1001.5**, as renumbered and amended by Laws of Utah 2018, Chapter 3

56 **63N-3-110**, as last amended by Laws of Utah 2018, Chapter 415

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

59 Section 1. Section **53G-9-802** is amended to read:

60 **53G-9-802. Dropout prevention and recovery -- Flexible enrollment options --**

61 **Contracting -- Reporting.**

62 (1) (a) Subject to Subsection (1)(b), an LEA shall provide dropout prevention and  
63 recovery services to a designated student, including:

64 (i) engaging with or attempting to recover a designated student;

65 (ii) developing a learning plan, in consultation with a designated student, to identify:

66 (A) barriers to regular school attendance and achievement;

67 (B) an attainment goal; and

68 (C) a means for achieving the attainment goal through enrollment in one or more of the  
69 programs described in Subsection (2);

70 (iii) monitoring a designated student's progress toward reaching the designated  
71 student's attainment goal; and

72 (iv) providing tiered interventions for a designated student who is not making progress  
73 toward reaching the student's attainment goal.

74 (b) An LEA shall provide the dropout prevention and recovery services described in  
75 Subsection (1)(a):

76 (i) throughout the calendar year; and

77 (ii) except as provided in Subsection (1)(c)(i), for each designated student who  
78 becomes a designated student while enrolled in the LEA.

79 (c) (i) A designated student's school district of residence shall provide dropout recovery  
80 services if the designated student:

81 (A) was enrolled in a charter school that does not include grade 12; and

82 (B) becomes a designated student in the summer after the student completes academic  
83 instruction at the charter school through the maximum grade level the charter school is eligible  
84 to serve under the charter school's charter agreement as described in Section **53G-5-303**.

85 (ii) In accordance with Subsection (1)(c)(iii), a charter school that does not include

86 grade 12 shall notify each of the charter school's student's district of residence, as determined  
87 under Section 53G-6-302, when the student completes academic instruction at the charter  
88 school as described in Subsection (1)(c)(i)(B).

89 (iii) The notification described in Subsection (1)(c)(ii) shall include the student's name,  
90 contact information, and student identification number.

91 (2) (a) An LEA shall provide flexible enrollment options for a designated student that:

92 (i) are tailored to the designated student's learning plan developed under Subsection  
93 (1)(a)(ii); and

94 (ii) include two or more of the following:

95 (A) enrollment in the LEA in a traditional program;

96 (B) enrollment in the LEA in a nontraditional program;

97 (C) enrollment in a program offered by a private provider that has entered into a  
98 contract with the LEA to provide educational services; or

99 (D) enrollment in a program offered by another LEA.

100 (b) A designated student may enroll in:

101 (i) a program offered by the LEA under Subsection (2)(a), in accordance with this  
102 public education code, rules established by the State Board of Education, and policies  
103 established by the LEA; or

104 [~~(ii) the Electronic High School, in accordance with Title 53E, Chapter 10, Part 6,~~  
105 ~~Electronic High School, or]~~

106 [~~(iii)] (ii) the Statewide Online Education Program, in accordance with Title 53F,  
107 Chapter 4, Part 5, Statewide Online Education Program.~~

108 (c) An LEA shall make the LEA's best effort to accommodate a designated student's  
109 choice of enrollment under Subsection (2)(b).

110 (3) Beginning with the 2017-18 school year and except as provided in Subsection (4),  
111 an LEA shall enter into a contract with a third party to provide the dropout prevention and  
112 recovery services described in Subsection (1)(a) for any school year in which the LEA meets  
113 the following criteria:

- 114 (a) the LEA's graduation rate is lower than the statewide graduation rate; and
- 115 (b) (i) the LEA's graduation rate has not increased by at least 1% on average over the
- 116 previous three school years; or
- 117 (ii) during the previous calendar year, at least 10% of the LEA's designated students
- 118 have not:
  - 119 (A) reached the students' attainment goals; or
  - 120 (B) made a year's worth of progress toward the students' attainment goals.
- 121 (4) An LEA that is in the LEA's first three years of operation is not subject to the
- 122 requirement described in Subsection (3).
- 123 (5) An LEA described in Subsection (3) shall ensure that:
  - 124 (a) a third party with whom the LEA enters into a contract under Subsection (3) has a
  - 125 demonstrated record of effectiveness engaging with and recovering designated students; and
  - 126 (b) a contract with a third party requires the third party to:
    - 127 (i) provide the services described in Subsection (1)(a); and
    - 128 (ii) regularly report progress to the LEA.
  - 129 (6) An LEA shall annually submit a report to the State Board of Education on dropout
  - 130 prevention and recovery services provided under this section, including:
    - 131 (a) the methods the LEA or third party uses to engage with or attempt to recover
    - 132 designated students under Subsection (1)(a)(i);
    - 133 (b) the number of designated students who enroll in a program described in Subsection
    - 134 (2) as a result of the efforts described in Subsection (6)(a);
    - 135 (c) the number of designated students who reach the designated students' attainment
    - 136 goals identified under Subsection (1)(a)(ii)(B); and
    - 137 (d) funding allocated to provide dropout prevention and recovery services.
    - 138 (7) The State Board of Education shall:
      - 139 (a) ensure that an LEA described in Subsection (3) contracts with a third party to
      - 140 provide dropout prevention and recovery services in accordance with Subsections (3) and (5);
      - 141 and

142 (b) on or before October 30, 2017, and each year thereafter, report to the Education  
143 Interim Committee on the provisions of this section, including a summary of the reports  
144 submitted under Subsection (6).

145 Section 2. Section **53G-10-503** is amended to read:

146 **53G-10-503. Driver education funding -- Reimbursement of school districts for**  
147 **driver education class expenses -- Limitations -- Excess funds -- Student fees.**

148 (1) (a) Except as provided in Subsection (1)(b), a school district that provides driver  
149 education shall fund the program solely through:

150 (i) funds provided from the Automobile Driver Education Tax Account in the Uniform  
151 School Fund as created under Section [41-1a-1205](#); and

152 (ii) student fees collected by each school.

153 (b) In determining the cost of driver education, a school district may exclude:

154 (i) the full-time equivalent cost of a teacher for a driver education class taught during  
155 regular school hours; and

156 (ii) classroom space and classroom maintenance.

157 (c) A school district may not use any additional school funds beyond those allowed  
158 under Subsection (1)(b) to subsidize driver education.

159 (2) (a) The state superintendent of public instruction shall, prior to September 2nd  
160 following the school year during which it was expended, or may at earlier intervals during that  
161 school year, reimburse each school district that applied for reimbursement in accordance with  
162 this section.

163 (b) A school district that maintains driver education classes that conform to this part  
164 and the rules prescribed by the board may apply for reimbursement for the actual cost of  
165 providing the behind-the-wheel and observation training incidental to those classes.

166 (3) Under the state board's supervision for driver education, a school district may:

167 (a) employ personnel who are not licensed by the board under Section [53E-6-201](#); or

168 (b) contract with private parties or agencies licensed under Section [53-3-504](#) for the  
169 behind-the-wheel phase of the driver education program.

170 (4) The reimbursement amount shall be paid out of the Automobile Driver Education  
171 Tax Account in the Uniform School Fund and may not exceed:

172 (a) \$100 per student who has completed driver education during the school year;

173 (b) \$30 per student who has only completed the classroom portion in the school [~~or~~  
174 ~~through the electronic high school~~] during the school year; or

175 (c) \$70 per student who has only completed the behind-the-wheel and observation  
176 portion in the school during the school year.

177 (5) If the amount of money in the account at the end of a school year is less than the  
178 total of the reimbursable costs, the state superintendent of public instruction shall allocate the  
179 money to each school district in the same proportion that its reimbursable costs bear to the total  
180 reimbursable costs of all school districts.

181 (6) If the amount of money in the account at the end of any school year is more than the  
182 total of the reimbursement costs provided under Subsection (4), the superintendent may  
183 allocate the excess funds to school districts:

184 (a) to reimburse each school district that applies for reimbursement of the cost of a fee  
185 waived under Section [53G-7-504](#) for driver education; and

186 (b) to aid in the procurement of equipment and facilities which reduce the cost of  
187 behind-the-wheel instruction.

188 (7) A local school board shall establish the student fee for driver education for the  
189 school district. Student fees shall be reasonably associated with the costs of driver education  
190 that are not otherwise covered by reimbursements and allocations made under this section.

191 Section 3. Section **53G-10-508** is amended to read:

192 **53G-10-508. Programs authorized -- Minimum standards.**

193 (1) Local school districts may:

194 (a) allow students to complete the classroom training portion of driver education  
195 through [~~the following programs:~~] home study;

196 [~~(i) home study; or~~]

197 [~~(ii) the electronic high school;~~]

198 (b) provide each parent with driver education instructional materials to assist in parent  
199 involvement with driver education including behind-the-wheel driving materials;

200 (c) offer driver education outside of school hours in order to reduce the cost of  
201 providing driver education;

202 (d) offer driver education through community education programs;

203 (e) offer the classroom portion of driver education in the public schools and allow the  
204 student to complete the behind-the-wheel portion with a private provider:

205 (i) licensed under Section 53-3-504; and

206 (ii) not associated with the school or under contract with the school under Subsection  
207 53G-10-503(3); or

208 (f) any combination of Subsections (1)(a) through (e).

209 (2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
210 State Board of Education shall establish minimum standards for the school-related programs  
211 under Subsection (1).

212 Section 4. Section 59-12-102 is amended to read:

213 **59-12-102. Definitions.**

214 As used in this chapter:

215 (1) "800 service" means a telecommunications service that:

216 (a) allows a caller to dial a toll-free number without incurring a charge for the call; and

217 (b) is typically marketed:

218 (i) under the name 800 toll-free calling;

219 (ii) under the name 855 toll-free calling;

220 (iii) under the name 866 toll-free calling;

221 (iv) under the name 877 toll-free calling;

222 (v) under the name 888 toll-free calling; or

223 (vi) under a name similar to Subsections (1)(b)(i) through (v) as designated by the

224 Federal Communications Commission.

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



- 226 (i) a subscriber purchases;
- 227 (ii) allows a customer of the subscriber described in Subsection (2)(a)(i) to call in to
- 228 the subscriber's:
- 229 (A) prerecorded announcement; or
- 230 (B) live service; and
- 231 (iii) is typically marketed:
- 232 (A) under the name 900 service; or
- 233 (B) under a name similar to Subsection (2)(a)(iii)(A) as designated by the Federal
- 234 Communications Commission.
- 235 (b) "900 service" does not include a charge for:
- 236 (i) a collection service a seller of a telecommunications service provides to a
- 237 subscriber; or
- 238 (ii) the following a subscriber sells to the subscriber's customer:
- 239 (A) a product; or
- 240 (B) a service.
- 241 (3) (a) "Admission or user fees" includes season passes.
- 242 (b) "Admission or user fees" does not include annual membership dues to private
- 243 organizations.
- 244 (4) "Agreement" means the Streamlined Sales and Use Tax Agreement adopted on
- 245 November 12, 2002, including amendments made to the Streamlined Sales and Use Tax
- 246 Agreement after November 12, 2002.
- 247 (5) "Agreement combined tax rate" means the sum of the tax rates:
- 248 (a) listed under Subsection (6); and
- 249 (b) that are imposed within a local taxing jurisdiction.
- 250 (6) "Agreement sales and use tax" means a tax imposed under:
- 251 (a) Subsection [59-12-103\(2\)\(a\)\(i\)\(A\)](#);
- 252 (b) Subsection [59-12-103\(2\)\(b\)\(i\)](#);
- 253 (c) Subsection [59-12-103\(2\)\(c\)\(i\)](#);

- 254 (d) Subsection 59-12-103(2)(d)(i)(A)(I);
- 255 (e) Section 59-12-204;
- 256 (f) Section 59-12-401;
- 257 (g) Section 59-12-402;
- 258 (h) Section 59-12-402.1;
- 259 (i) Section 59-12-703;
- 260 (j) Section 59-12-802;
- 261 (k) Section 59-12-804;
- 262 (l) Section 59-12-1102;
- 263 (m) Section 59-12-1302;
- 264 (n) Section 59-12-1402;
- 265 (o) Section 59-12-1802;
- 266 (p) Section 59-12-2003;
- 267 (q) Section 59-12-2103;
- 268 (r) Section 59-12-2213;
- 269 (s) Section 59-12-2214;
- 270 (t) Section 59-12-2215;
- 271 (u) Section 59-12-2216;
- 272 (v) Section 59-12-2217;
- 273 (w) Section 59-12-2218;
- 274 (x) Section 59-12-2219; or
- 275 (y) Section 59-12-2220.
- 276 (7) "Aircraft" means the same as that term is defined in Section 72-10-102.
- 277 (8) "Aircraft maintenance, repair, and overhaul provider" means a business entity:
- 278 (a) except for:
- 279 (i) an airline as defined in Section 59-2-102; or
- 280 (ii) an affiliated group, as defined in Section 59-7-101, except that "affiliated group"
- 281 includes a corporation that is qualified to do business but is not otherwise doing business in the

282 state, of an airline; and

283 (b) that has the workers, expertise, and facilities to perform the following, regardless of  
284 whether the business entity performs the following in this state:

285 (i) check, diagnose, overhaul, and repair:

286 (A) an onboard system of a fixed wing turbine powered aircraft; and

287 (B) the parts that comprise an onboard system of a fixed wing turbine powered aircraft;

288 (ii) assemble, change, dismantle, inspect, and test a fixed wing turbine powered aircraft  
289 engine;

290 (iii) perform at least the following maintenance on a fixed wing turbine powered  
291 aircraft:

292 (A) an inspection;

293 (B) a repair, including a structural repair or modification;

294 (C) changing landing gear; and

295 (D) addressing issues related to an aging fixed wing turbine powered aircraft;

296 (iv) completely remove the existing paint of a fixed wing turbine powered aircraft and  
297 completely apply new paint to the fixed wing turbine powered aircraft; and

298 (v) refurbish the interior of a fixed wing turbine powered aircraft in a manner that  
299 results in a change in the fixed wing turbine powered aircraft's certification requirements by the  
300 authority that certifies the fixed wing turbine powered aircraft.

301 (9) "Alcoholic beverage" means a beverage that:

302 (a) is suitable for human consumption; and

303 (b) contains .5% or more alcohol by volume.

304 (10) "Alternative energy" means:

305 (a) biomass energy;

306 (b) geothermal energy;

307 (c) hydroelectric energy;

308 (d) solar energy;

309 (e) wind energy; or

- 310 (f) energy that is derived from:
- 311 (i) coal-to-liquids;
- 312 (ii) nuclear fuel;
- 313 (iii) oil-impregnated diatomaceous earth;
- 314 (iv) oil sands;
- 315 (v) oil shale;
- 316 (vi) petroleum coke; or
- 317 (vii) waste heat from:
- 318 (A) an industrial facility; or
- 319 (B) a power station in which an electric generator is driven through a process in which
- 320 water is heated, turns into steam, and spins a steam turbine.
- 321 (11) (a) Subject to Subsection (11)(b), "alternative energy electricity production
- 322 facility" means a facility that:
- 323 (i) uses alternative energy to produce electricity; and
- 324 (ii) has a production capacity of two megawatts or greater.
- 325 (b) A facility is an alternative energy electricity production facility regardless of
- 326 whether the facility is:
- 327 (i) connected to an electric grid; or
- 328 (ii) located on the premises of an electricity consumer.
- 329 (12) (a) "Ancillary service" means a service associated with, or incidental to, the
- 330 provision of telecommunications service.
- 331 (b) "Ancillary service" includes:
- 332 (i) a conference bridging service;
- 333 (ii) a detailed communications billing service;
- 334 (iii) directory assistance;
- 335 (iv) a vertical service; or
- 336 (v) a voice mail service.
- 337 (13) "Area agency on aging" means the same as that term is defined in Section

338 62A-3-101.

339 (14) "Assisted amusement device" means an amusement device, skill device, or ride  
340 device that is started and stopped by an individual:

341 (a) who is not the purchaser or renter of the right to use or operate the amusement  
342 device, skill device, or ride device; and

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

345 (15) "Assisted cleaning or washing of tangible personal property" means cleaning or  
346 washing of tangible personal property if the cleaning or washing labor is primarily performed  
347 by an individual:

348 (a) who is not the purchaser of the cleaning or washing of the tangible personal  
349 property; and

350 (b) at the direction of the seller of the cleaning or washing of the tangible personal  
351 property.

352 (16) "Authorized carrier" means:

353 (a) in the case of vehicles operated over public highways, the holder of credentials  
354 indicating that the vehicle is or will be operated pursuant to both the International Registration  
355 Plan and the International Fuel Tax Agreement;

356 (b) in the case of aircraft, the holder of a Federal Aviation Administration operating  
357 certificate or air carrier's operating certificate; or

358 (c) in the case of locomotives, freight cars, railroad work equipment, or other rolling  
359 stock, a person who uses locomotives, freight cars, railroad work equipment, or other rolling  
360 stock in more than one state.

361 (17) (a) Except as provided in Subsection (17)(b), "biomass energy" means any of the  
362 following that is used as the primary source of energy to produce fuel or electricity:

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

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

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

- 366 (B) animal waste;
- 367 (C) waste vegetable oil;
- 368 (D) methane or synthetic gas produced at a landfill, as a byproduct of the treatment of
- 369 wastewater residuals, or through the conversion of a waste material through a nonincineration,
- 370 thermal conversion process;
- 371 (E) aquatic plants; and
- 372 (F) agricultural products.
- 373 (b) "Biomass energy" does not include:
- 374 (i) black liquor; or
- 375 (ii) treated woods.
- 376 (18) (a) "Bundled transaction" means the sale of two or more items of tangible personal
- 377 property, products, or services if the tangible personal property, products, or services are:
- 378 (i) distinct and identifiable; and
- 379 (ii) sold for one nonitemized price.
- 380 (b) "Bundled transaction" does not include:
- 381 (i) the sale of tangible personal property if the sales price varies, or is negotiable, on
- 382 the basis of the selection by the purchaser of the items of tangible personal property included in
- 383 the transaction;
- 384 (ii) the sale of real property;
- 385 (iii) the sale of services to real property;
- 386 (iv) the retail sale of tangible personal property and a service if:
- 387 (A) the tangible personal property:
- 388 (I) is essential to the use of the service; and
- 389 (II) is provided exclusively in connection with the service; and
- 390 (B) the service is the true object of the transaction;
- 391 (v) the retail sale of two services if:
- 392 (A) one service is provided that is essential to the use or receipt of a second service;
- 393 (B) the first service is provided exclusively in connection with the second service; and

- 394 (C) the second service is the true object of the transaction;
- 395 (vi) a transaction that includes tangible personal property or a product subject to
- 396 taxation under this chapter and tangible personal property or a product that is not subject to
- 397 taxation under this chapter if the:
  - 398 (A) seller's purchase price of the tangible personal property or product subject to
  - 399 taxation under this chapter is de minimis; or
  - 400 (B) seller's sales price of the tangible personal property or product subject to taxation
  - 401 under this chapter is de minimis; and
  - 402 (vii) the retail sale of tangible personal property that is not subject to taxation under
  - 403 this chapter and tangible personal property that is subject to taxation under this chapter if:
    - 404 (A) that retail sale includes:
      - 405 (I) food and food ingredients;
      - 406 (II) a drug;
      - 407 (III) durable medical equipment;
      - 408 (IV) mobility enhancing equipment;
      - 409 (V) an over-the-counter drug;
      - 410 (VI) a prosthetic device; or
      - 411 (VII) a medical supply; and
    - 412 (B) subject to Subsection (18)(f):
      - 413 (I) the seller's purchase price of the tangible personal property subject to taxation under
      - 414 this chapter is 50% or less of the seller's total purchase price of that retail sale; or
      - 415 (II) the seller's sales price of the tangible personal property subject to taxation under
      - 416 this chapter is 50% or less of the seller's total sales price of that retail sale.
- 417 (c) (i) For purposes of Subsection (18)(a)(i), tangible personal property, a product, or a
- 418 service that is distinct and identifiable does not include:
  - 419 (A) packaging that:
    - 420 (I) accompanies the sale of the tangible personal property, product, or service; and
    - 421 (II) is incidental or immaterial to the sale of the tangible personal property, product, or

422 service;

423 (B) tangible personal property, a product, or a service provided free of charge with the  
424 purchase of another item of tangible personal property, a product, or a service; or

425 (C) an item of tangible personal property, a product, or a service included in the  
426 definition of "purchase price."

427 (ii) For purposes of Subsection (18)(c)(i)(B), an item of tangible personal property, a  
428 product, or a service is provided free of charge with the purchase of another item of tangible  
429 personal property, a product, or a service if the sales price of the purchased item of tangible  
430 personal property, product, or service does not vary depending on the inclusion of the tangible  
431 personal property, product, or service provided free of charge.

432 (d) (i) For purposes of Subsection (18)(a)(ii), property sold for one nonitemized price  
433 does not include a price that is separately identified by tangible personal property, product, or  
434 service on the following, regardless of whether the following is in paper format or electronic  
435 format:

436 (A) a binding sales document; or

437 (B) another supporting sales-related document that is available to a purchaser.

438 (ii) For purposes of Subsection (18)(d)(i), a binding sales document or another  
439 supporting sales-related document that is available to a purchaser includes:

440 (A) a bill of sale;

441 (B) a contract;

442 (C) an invoice;

443 (D) a lease agreement;

444 (E) a periodic notice of rates and services;

445 (F) a price list;

446 (G) a rate card;

447 (H) a receipt; or

448 (I) a service agreement.

449 (e) (i) For purposes of Subsection (18)(b)(vi), the sales price of tangible personal



450 property or a product subject to taxation under this chapter is de minimis if:

451 (A) the seller's purchase price of the tangible personal property or product is 10% or  
452 less of the seller's total purchase price of the bundled transaction; or

453 (B) the seller's sales price of the tangible personal property or product is 10% or less of  
454 the seller's total sales price of the bundled transaction.

455 (ii) For purposes of Subsection (18)(b)(vi), a seller:

456 (A) shall use the seller's purchase price or the seller's sales price to determine if the  
457 purchase price or sales price of the tangible personal property or product subject to taxation  
458 under this chapter is de minimis; and

459 (B) may not use a combination of the seller's purchase price and the seller's sales price  
460 to determine if the purchase price or sales price of the tangible personal property or product  
461 subject to taxation under this chapter is de minimis.

462 (iii) For purposes of Subsection (18)(b)(vi), a seller shall use the full term of a service  
463 contract to determine if the sales price of tangible personal property or a product is de minimis.

464 (f) For purposes of Subsection (18)(b)(vii)(B), a seller may not use a combination of  
465 the seller's purchase price and the seller's sales price to determine if tangible personal property  
466 subject to taxation under this chapter is 50% or less of the seller's total purchase price or sales  
467 price of that retail sale.

468 (19) "Certified automated system" means software certified by the governing board of  
469 the agreement that:

470 (a) calculates the agreement sales and use tax imposed within a local taxing  
471 jurisdiction:

472 (i) on a transaction; and

473 (ii) in the states that are members of the agreement;

474 (b) determines the amount of agreement sales and use tax to remit to a state that is a  
475 member of the agreement; and

476 (c) maintains a record of the transaction described in Subsection (19)(a)(i).

477 (20) "Certified service provider" means an agent certified:

478 (a) by the governing board of the agreement; and

479 (b) to perform all of a seller's sales and use tax functions for an agreement sales and  
480 use tax other than the seller's obligation under Section 59-12-124 to remit a tax on the seller's  
481 own purchases.

482 (21) (a) Subject to Subsection (21)(b), "clothing" means all human wearing apparel  
483 suitable for general use.

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

486 (i) listing the items that constitute "clothing"; and

487 (ii) that are consistent with the list of items that constitute "clothing" under the  
488 agreement.

489 (22) "Coal-to-liquid" means the process of converting coal into a liquid synthetic fuel.

490 (23) "Commercial use" means the use of gas, electricity, heat, coal, fuel oil, or other  
491 fuels that does not constitute industrial use under Subsection (56) or residential use under  
492 Subsection [~~(106)~~] (107).

493 (24) (a) "Common carrier" means a person engaged in or transacting the business of  
494 transporting passengers, freight, merchandise, or other property for hire within this state.

495 (b) (i) "Common carrier" does not include a person who, at the time the person is  
496 traveling to or from that person's place of employment, transports a passenger to or from the  
497 passenger's place of employment.

498 (ii) For purposes of Subsection (24)(b)(i), in accordance with Title 63G, Chapter 3,  
499 Utah Administrative Rulemaking Act, the commission may make rules defining what  
500 constitutes a person's place of employment.

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

503 (25) "Component part" includes:

504 (a) poultry, dairy, and other livestock feed, and their components;

505 (b) baling ties and twine used in the baling of hay and straw;

506 (c) fuel used for providing temperature control of orchards and commercial  
507 greenhouses doing a majority of their business in wholesale sales, and for providing power for  
508 off-highway type farm machinery; and

509 (d) feed, seeds, and seedlings.

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

511 (a) (i) in digital form; or

512 (ii) in a form similar to digital form; and

513 (b) manipulates that information for a result based on a sequence of instructions.

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

515 (a) a computer to perform a task; or

516 (b) automatic data processing equipment to perform a task.

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

519 (a) future updates or upgrades to computer software;

520 (b) support services with respect to computer software; or

521 (c) a combination of Subsections (28)(a) and (b).

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

524 (b) "Conference bridging service" may include providing a telephone number as part of  
525 the ancillary service described in Subsection (29)(a).

526 (c) "Conference bridging service" does not include a telecommunications service used  
527 to reach the ancillary service described in Subsection (29)(a).

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

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

532 (32) (a) "Delivery charge" means a charge:

533 (i) by a seller of:

534 (A) tangible personal property;  
535 (B) a product transferred electronically; or  
536 (C) services; and  
537 (ii) for preparation and delivery of the tangible personal property, product transferred  
538 electronically, or services described in Subsection (32)(a)(i) to a location designated by the  
539 purchaser.

540 (b) "Delivery charge" includes a charge for the following:

- 541 (i) transportation;
- 542 (ii) shipping;
- 543 (iii) postage;
- 544 (iv) handling;
- 545 (v) crating; or
- 546 (vi) packing.

547 (33) "Detailed telecommunications billing service" means an ancillary service of  
548 separately stating information pertaining to individual calls on a customer's billing statement.

549 (34) "Dietary supplement" means a product, other than tobacco, that:

- 550 (a) is intended to supplement the diet;
- 551 (b) contains one or more of the following dietary ingredients:
  - 552 (i) a vitamin;
  - 553 (ii) a mineral;
  - 554 (iii) an herb or other botanical;
  - 555 (iv) an amino acid;
  - 556 (v) a dietary substance for use by humans to supplement the diet by increasing the total  
557 dietary intake; or
  - 558 (vi) a concentrate, metabolite, constituent, extract, or combination of any ingredient  
559 described in Subsections (34)(b)(i) through (v);

560 (c) (i) except as provided in Subsection (34)(c)(ii), is intended for ingestion in:

- 561 (A) tablet form;

- 562 (B) capsule form;
- 563 (C) powder form;
- 564 (D) softgel form;
- 565 (E) gelcap form; or
- 566 (F) liquid form; or
- 567 (ii) if the product is not intended for ingestion in a form described in Subsections
- 568 (34)(c)(i)(A) through (F), is not represented:
  - 569 (A) as conventional food; and
  - 570 (B) for use as a sole item of:
    - 571 (I) a meal; or
    - 572 (II) the diet; and
  - 573 (d) is required to be labeled as a dietary supplement:
    - 574 (i) identifiable by the "Supplemental Facts" box found on the label; and
    - 575 (ii) as required by 21 C.F.R. Sec. 101.36.
- 576 ~~[(35) "Digital audio-visual work" means a series of related images which, when shown~~
- 577 ~~in succession, imparts an impression of motion, together with accompanying sounds, if any.]~~
- 578 ~~[(36)]~~ (35) (a) "Digital audio work" means a work that results from the fixation of a
- 579 series of musical, spoken, or other sounds.
- 580 (b) "Digital audio work" includes a ringtone.
- 581 (36) "Digital audio-visual work" means a series of related images which, when shown
- 582 in succession, imparts an impression of motion, together with accompanying sounds, if any.
- 583 (37) "Digital book" means a work that is generally recognized in the ordinary and usual
- 584 sense as a book.
- 585 (38) (a) "Direct mail" means printed material delivered or distributed by United States
- 586 mail or other delivery service:
  - 587 (i) to:
    - 588 (A) a mass audience; or
    - 589 (B) addressees on a mailing list provided:

- 590 (I) by a purchaser of the mailing list; or  
591 (II) at the discretion of the purchaser of the mailing list; and  
592 (ii) if the cost of the printed material is not billed directly to the recipients.
- 593 (b) "Direct mail" includes tangible personal property supplied directly or indirectly by a  
594 purchaser to a seller of direct mail for inclusion in a package containing the printed material.
- 595 (c) "Direct mail" does not include multiple items of printed material delivered to a  
596 single address.
- 597 (39) "Directory assistance" means an ancillary service of providing:  
598 (a) address information; or  
599 (b) telephone number information.
- 600 (40) (a) "Disposable home medical equipment or supplies" means medical equipment  
601 or supplies that:  
602 (i) cannot withstand repeated use; and  
603 (ii) are purchased by, for, or on behalf of a person other than:  
604 (A) a health care facility as defined in Section 26-21-2;  
605 (B) a health care provider as defined in Section 78B-3-403;  
606 (C) an office of a health care provider described in Subsection (40)(a)(ii)(B); or  
607 (D) a person similar to a person described in Subsections (40)(a)(ii)(A) through (C).
- 608 (b) "Disposable home medical equipment or supplies" does not include:  
609 (i) a drug;  
610 (ii) durable medical equipment;  
611 (iii) a hearing aid;  
612 (iv) a hearing aid accessory;  
613 (v) mobility enhancing equipment; or  
614 (vi) tangible personal property used to correct impaired vision, including:  
615 (A) eyeglasses; or  
616 (B) contact lenses.
- 617 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

618 commission may by rule define what constitutes medical equipment or supplies.

619 (41) "Drilling equipment manufacturer" means a facility:

620 (a) located in the state;

621 (b) with respect to which 51% or more of the manufacturing activities of the facility  
622 consist of manufacturing component parts of drilling equipment;

623 (c) that uses pressure of 800,000 or more pounds per square inch as part of the  
624 manufacturing process; and

625 (d) that uses a temperature of 2,000 or more degrees Fahrenheit as part of the  
626 manufacturing process.

627 (42) (a) "Drug" means a compound, substance, or preparation, or a component of a  
628 compound, substance, or preparation that is:

629 (i) recognized in:

630 (A) the official United States Pharmacopoeia;

631 (B) the official Homeopathic Pharmacopoeia of the United States;

632 (C) the official National Formulary; or

633 (D) a supplement to a publication listed in Subsections (42)(a)(i)(A) through (C);

634 (ii) intended for use in the:

635 (A) diagnosis of disease;

636 (B) cure of disease;

637 (C) mitigation of disease;

638 (D) treatment of disease; or

639 (E) prevention of disease; or

640 (iii) intended to affect:

641 (A) the structure of the body; or

642 (B) any function of the body.

643 (b) "Drug" does not include:

644 (i) food and food ingredients;

645 (ii) a dietary supplement;

646 (iii) an alcoholic beverage; or

647 (iv) a prosthetic device.

648 (43) (a) Except as provided in Subsection (43)(c), "durable medical equipment" means  
649 equipment that:

650 (i) can withstand repeated use;

651 (ii) is primarily and customarily used to serve a medical purpose;

652 (iii) generally is not useful to a person in the absence of illness or injury; and

653 (iv) is not worn in or on the body.

654 (b) "Durable medical equipment" includes parts used in the repair or replacement of the  
655 equipment described in Subsection (43)(a).

656 (c) "Durable medical equipment" does not include mobility enhancing equipment.

657 (44) "Electronic" means:

658 (a) relating to technology; and

659 (b) having:

660 (i) electrical capabilities;

661 (ii) digital capabilities;

662 (iii) magnetic capabilities;

663 (iv) wireless capabilities;

664 (v) optical capabilities;

665 (vi) electromagnetic capabilities; or

666 (vii) capabilities similar to Subsections (44)(b)(i) through (vi).

667 (45) "Electronic financial payment service" means an establishment:

668 (a) within NAICS Code 522320, Financial Transactions Processing, Reserve, and  
669 Clearinghouse Activities, of the 2012 North American Industry Classification System of the  
670 federal Executive Office of the President, Office of Management and Budget; and

671 (b) that performs electronic financial payment services.

672 (46) "Employee" means the same as that term is defined in Section [59-10-401](#).

673 (47) "Fixed guideway" means a public transit facility that uses and occupies:



- 674 (a) rail for the use of public transit; or
- 675 (b) a separate right-of-way for the use of public transit.
- 676 (48) "Fixed wing turbine powered aircraft" means an aircraft that:
- 677 (a) is powered by turbine engines;
- 678 (b) operates on jet fuel; and
- 679 (c) has wings that are permanently attached to the fuselage of the aircraft.
- 680 (49) "Fixed wireless service" means a telecommunications service that provides radio
- 681 communication between fixed points.
- 682 (50) (a) "Food and food ingredients" means substances:
- 683 (i) regardless of whether the substances are in:
- 684 (A) liquid form;
- 685 (B) concentrated form;
- 686 (C) solid form;
- 687 (D) frozen form;
- 688 (E) dried form; or
- 689 (F) dehydrated form; and
- 690 (ii) that are:
- 691 (A) sold for:
- 692 (I) ingestion by humans; or
- 693 (II) chewing by humans; and
- 694 (B) consumed for the substance's:
- 695 (I) taste; or
- 696 (II) nutritional value.
- 697 (b) "Food and food ingredients" includes an item described in Subsection (91)(b)(iii).
- 698 (c) "Food and food ingredients" does not include:
- 699 (i) an alcoholic beverage;
- 700 (ii) tobacco; or
- 701 (iii) prepared food.

702 (51) (a) "Fundraising sales" means sales:  
703 (i) (A) made by a school; or  
704 (B) made by a school student;  
705 (ii) that are for the purpose of raising funds for the school to purchase equipment,  
706 materials, or provide transportation; and  
707 (iii) that are part of an officially sanctioned school activity.  
708 (b) For purposes of Subsection (51)(a)(iii), "officially sanctioned school activity"  
709 means a school activity:  
710 (i) that is conducted in accordance with a formal policy adopted by the school or school  
711 district governing the authorization and supervision of fundraising activities;  
712 (ii) that does not directly or indirectly compensate an individual teacher or other  
713 educational personnel by direct payment, commissions, or payment in kind; and  
714 (iii) the net or gross revenues from which are deposited in a dedicated account  
715 controlled by the school or school district.  
716 (52) "Geothermal energy" means energy contained in heat that continuously flows  
717 outward from the earth that is used as the sole source of energy to produce electricity.  
718 (53) "Governing board of the agreement" means the governing board of the agreement  
719 that is:  
720 (a) authorized to administer the agreement; and  
721 (b) established in accordance with the agreement.  
722 (54) (a) For purposes of Subsection 59-12-104(41), "governmental entity" means:  
723 (i) the executive branch of the state, including all departments, institutions, boards,  
724 divisions, bureaus, offices, commissions, and committees;  
725 (ii) the judicial branch of the state, including the courts, the Judicial Council, the  
726 Administrative Office of the Courts, and similar administrative units in the judicial branch;  
727 (iii) the legislative branch of the state, including the House of Representatives, the  
728 Senate, the Legislative Printing Office, the Office of Legislative Research and General  
729 Counsel, the Office of the Legislative Auditor General, and the Office of the Legislative Fiscal

730 Analyst;

731 (iv) the National Guard;

732 (v) an independent entity as defined in Section 63E-1-102; or

733 (vi) a political subdivision as defined in Section 17B-1-102.

734 (b) "Governmental entity" does not include the state systems of public and higher

735 education, including:

736 (i) a school;

737 (ii) the State Board of Education;

738 (iii) the State Board of Regents; or

739 (iv) an institution of higher education described in Section 53B-1-102.

740 (55) "Hydroelectric energy" means water used as the sole source of energy to produce

741 electricity.

742 (56) "Industrial use" means the use of natural gas, electricity, heat, coal, fuel oil, or

743 other fuels:

744 (a) in mining or extraction of minerals;

745 (b) in agricultural operations to produce an agricultural product up to the time of

746 harvest or placing the agricultural product into a storage facility, including:

747 (i) commercial greenhouses;

748 (ii) irrigation pumps;

749 (iii) farm machinery;

750 (iv) implements of husbandry as defined in Section 41-1a-102 that are not registered

751 under Title 41, Chapter 1a, Part 2, Registration; and

752 (v) other farming activities;

753 (c) in manufacturing tangible personal property at an establishment described in:

754 (i) SIC Codes 2000 to 3999 of the 1987 Standard Industrial Classification Manual of

755 the federal Executive Office of the President, Office of Management and Budget; or

756 (ii) a NAICS code within NAICS Sector 31-33, Manufacturing, of the 2017 North

757 American Industry Classification System of the federal Executive Office of the President,

758 Office of Management and Budget;

759 (d) by a scrap recycler if:

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

763 (A) iron;

764 (B) steel;

765 (C) nonferrous metal;

766 (D) paper;

767 (E) glass;

768 (F) plastic;

769 (G) textile; or

770 (H) rubber; and

771 (ii) the new products under Subsection (56)(d)(i) would otherwise be made with  
772 nonrecycled materials; or

773 (e) in producing a form of energy or steam described in Subsection 54-2-1(3)(a) by a  
774 cogeneration facility as defined in Section 54-2-1.

775 (57) (a) Except as provided in Subsection (57)(b), "installation charge" means a charge  
776 for installing:

777 (i) tangible personal property; or

778 (ii) a product transferred electronically.

779 (b) "Installation charge" does not include a charge for:

780 (i) repairs or renovations of:

781 (A) tangible personal property; or

782 (B) a product transferred electronically; or

783 (ii) attaching tangible personal property or a product transferred electronically:

784 (A) to other tangible personal property; and

785 (B) as part of a manufacturing or fabrication process.

786 (58) "Institution of higher education" means an institution of higher education listed in  
787 Section 53B-2-101.

788 (59) (a) "Lease" or "rental" means a transfer of possession or control of tangible  
789 personal property or a product transferred electronically for:

- 790 (i) (A) a fixed term; or
- 791 (B) an indeterminate term; and
- 792 (ii) consideration.

793 (b) "Lease" or "rental" includes an agreement covering a motor vehicle and trailer if the  
794 amount of consideration may be increased or decreased by reference to the amount realized  
795 upon sale or disposition of the property as defined in Section 7701(h)(1), Internal Revenue  
796 Code.

797 (c) "Lease" or "rental" does not include:

798 (i) a transfer of possession or control of property under a security agreement or  
799 deferred payment plan that requires the transfer of title upon completion of the required  
800 payments;

801 (ii) a transfer of possession or control of property under an agreement that requires the  
802 transfer of title:

- 803 (A) upon completion of required payments; and
- 804 (B) if the payment of an option price does not exceed the greater of:
  - 805 (I) \$100; or
  - 806 (II) 1% of the total required payments; or

807 (iii) providing tangible personal property along with an operator for a fixed period of  
808 time or an indeterminate period of time if the operator is necessary for equipment to perform as  
809 designed.

810 (d) For purposes of Subsection (59)(c)(iii), an operator is necessary for equipment to  
811 perform as designed if the operator's duties exceed the:

- 812 (i) set-up of tangible personal property;
- 813 (ii) maintenance of tangible personal property; or

814 (iii) inspection of tangible personal property.

815 (60) "Life science establishment" means an establishment in this state that is classified  
816 under the following NAICS codes of the 2007 North American Industry Classification System  
817 of the federal Executive Office of the President, Office of Management and Budget:

818 (a) NAICS Code 33911, Medical Equipment and Supplies Manufacturing;

819 (b) NAICS Code 334510, Electromedical and Electrotherapeutic Apparatus  
820 Manufacturing; or

821 (c) NAICS Code 334517, Irradiation Apparatus Manufacturing.

822 (61) "Life science research and development facility" means a facility owned, leased,  
823 or rented by a life science establishment if research and development is performed in 51% or  
824 more of the total area of the facility.

825 (62) "Load and leave" means delivery to a purchaser by use of a tangible storage media  
826 if the tangible storage media is not physically transferred to the purchaser.

827 (63) "Local taxing jurisdiction" means a:

828 (a) county that is authorized to impose an agreement sales and use tax;

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

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

831 (64) "Manufactured home" means the same as that term is defined in Section  
832 [15A-1-302](#).

833 (65) "Manufacturing facility" means:

834 (a) an establishment described in:

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

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

840 (b) a scrap recycler if:

841 (i) from a fixed location, the scrap recycler utilizes machinery or equipment to process

842 one or more of the following items into prepared grades of processed materials for use in new  
843 products:

- 844 (A) iron;
- 845 (B) steel;
- 846 (C) nonferrous metal;
- 847 (D) paper;
- 848 (E) glass;
- 849 (F) plastic;
- 850 (G) textile; or
- 851 (H) rubber; and

852 (ii) the new products under Subsection (65)(b)(i) would otherwise be made with  
853 nonrecycled materials; or

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

856 (66) "Member of the immediate family of the producer" means a person who is related  
857 to a producer described in Subsection 59-12-104(20)(a) as a:

858 (a) child or stepchild, regardless of whether the child or stepchild is:

859 (i) an adopted child or adopted stepchild; or

860 (ii) a foster child or foster stepchild;

861 (b) grandchild or stepgrandchild;

862 (c) grandparent or stepgrandparent;

863 (d) nephew or stepnephew;

864 (e) niece or stepniece;

865 (f) parent or stepparent;

866 (g) sibling or stepsibling;

867 (h) spouse;

868 (i) person who is the spouse of a person described in Subsections (66)(a) through (g);

869 or

870 (j) person similar to a person described in Subsections (66)(a) through (i) as  
871 determined by the commission by rule made in accordance with Title 63G, Chapter 3, Utah  
872 Administrative Rulemaking Act.

873 (67) "Mobile home" means the same as that term is defined in Section [15A-1-302](#).

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

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

- 878 (i) the origination point of the conveyance, routing, or transmission is not fixed;
- 879 (ii) the termination point of the conveyance, routing, or transmission is not fixed; or
- 880 (iii) the origination point described in Subsection (69)(a)(i) and the termination point  
881 described in Subsection (69)(a)(ii) are not fixed.

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

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

886 (70) (a) Except as provided in Subsection (70)(c), "mobility enhancing equipment"  
887 means equipment that is:

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

894 (b) "Mobility enhancing equipment" includes parts used in the repair or replacement of  
895 the equipment described in Subsection (70)(a).

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

- 897 (i) a motor vehicle;



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

900 (iii) durable medical equipment; or

901 (iv) a prosthetic device.

902 (71) "Model 1 seller" means a seller registered under the agreement that has selected a  
903 certified service provider as the seller's agent to perform all of the seller's sales and use tax  
904 functions for agreement sales and use taxes other than the seller's obligation under Section  
905 [59-12-124](#) to remit a tax on the seller's own purchases.

906 (72) "Model 2 seller" means a seller registered under the agreement that:

907 (a) except as provided in Subsection (72)(b), has selected a certified automated system  
908 to perform the seller's sales tax functions for agreement sales and use taxes; and

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

910 (i) collected by the seller; and

911 (ii) to the appropriate local taxing jurisdiction.

912 (73) (a) Subject to Subsection (73)(b), "model 3 seller" means a seller registered under  
913 the agreement that has:

914 (i) sales in at least five states that are members of the agreement;

915 (ii) total annual sales revenues of at least \$500,000,000;

916 (iii) a proprietary system that calculates the amount of tax:

917 (A) for an agreement sales and use tax; and

918 (B) due to each local taxing jurisdiction; and

919 (iv) entered into a performance agreement with the governing board of the agreement.

920 (b) For purposes of Subsection (73)(a), "model 3 seller" includes an affiliated group of  
921 sellers using the same proprietary system.

922 (74) "Model 4 seller" means a seller that is registered under the agreement and is not a  
923 model 1 seller, model 2 seller, or model 3 seller.

924 (75) "Modular home" means a modular unit as defined in Section [15A-1-302](#).

925 (76) "Motor vehicle" means the same as that term is defined in Section [41-1a-102](#).

- 926 (77) "Oil sands" means impregnated bituminous sands that:
- 927 (a) contain a heavy, thick form of petroleum that is released when heated, mixed with
- 928 other hydrocarbons, or otherwise treated;
- 929 (b) yield mixtures of liquid hydrocarbon; and
- 930 (c) require further processing other than mechanical blending before becoming finished
- 931 petroleum products.
- 932 (78) "Oil shale" means a group of fine black to dark brown shales containing kerogen
- 933 material that yields petroleum upon heating and distillation.
- 934 (79) "Optional computer software maintenance contract" means a computer software
- 935 maintenance contract that a customer is not obligated to purchase as a condition to the retail
- 936 sale of computer software.
- 937 (80) (a) "Other fuels" means products that burn independently to produce heat or
- 938 energy.
- 939 (b) "Other fuels" includes oxygen when it is used in the manufacturing of tangible
- 940 personal property.
- 941 (81) (a) "Paging service" means a telecommunications service that provides
- 942 transmission of a coded radio signal for the purpose of activating a specific pager.
- 943 (b) For purposes of Subsection (81)(a), the transmission of a coded radio signal
- 944 includes a transmission by message or sound.
- 945 (82) "Pawnbroker" means the same as that term is defined in Section [13-32a-102](#).
- 946 (83) "Pawn transaction" means the same as that term is defined in Section [13-32a-102](#).
- 947 (84) (a) "Permanently attached to real property" means that for tangible personal
- 948 property attached to real property:
- 949 (i) the attachment of the tangible personal property to the real property:
- 950 (A) is essential to the use of the tangible personal property; and
- 951 (B) suggests that the tangible personal property will remain attached to the real
- 952 property in the same place over the useful life of the tangible personal property; or
- 953 (ii) if the tangible personal property is detached from the real property, the detachment

954 would:

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

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

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

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

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

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

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

965 (iii) property attached to oil, gas, or water pipelines, except for the property listed in  
966 Subsection (84)(c)(iii) or (iv).

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

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

970 (A) convenience;

971 (B) stability; or

972 (C) for an obvious temporary purpose;

973 (ii) the detachment of tangible personal property from real property except for the  
974 detachment described in Subsection (84)(b)(ii);

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

979 (A) a computer;

980 (B) a telephone;

981 (C) a television; or

982 (D) tangible personal property similar to Subsections (84)(c)(iii)(A) through (C) as  
983 determined by the commission by rule made in accordance with Title 63G, Chapter 3, Utah  
984 Administrative Rulemaking Act; or

985 (iv) an item listed in Subsection (125)(c).

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

990 (86) "Place of primary use":

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

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

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

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

998 (87) (a) "Postpaid calling service" means a telecommunications service a person  
999 obtains by making a payment on a call-by-call basis:

1000 (i) through the use of a:

1001 (A) bank card;

1002 (B) credit card;

1003 (C) debit card; or

1004 (D) travel card; or

1005 (ii) by a charge made to a telephone number that is not associated with the origination  
1006 or termination of the telecommunications service.

1007 (b) "Postpaid calling service" includes a service, except for a prepaid wireless calling  
1008 service, that would be a prepaid wireless calling service if the service were exclusively a  
1009 telecommunications service.

1010 (88) "Postproduction" means an activity related to the finishing or duplication of a  
1011 medium described in Subsection 59-12-104(54)(a).

1012 (89) "Prepaid calling service" means a telecommunications service:

1013 (a) that allows a purchaser access to telecommunications service that is exclusively  
1014 telecommunications 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 (90) "Prepaid wireless calling service" means a telecommunications service:

1027 (a) that provides the right to utilize:

1028 (i) mobile wireless service; and

1029 (ii) other service that is not a telecommunications service, including:

1030 (A) the download of a product transferred electronically;

1031 (B) a content service; or

1032 (C) an ancillary service;

1033 (b) that:

1034 (i) is paid for in advance; and

1035 (ii) enables the origination of a call using an:

1036 (A) access number; or

1037 (B) authorization code;

- 1038 (c) that is dialed:
- 1039 (i) manually; or
- 1040 (ii) electronically; and
- 1041 (d) sold in predetermined units or dollars that decline:
- 1042 (i) by a known amount; and
- 1043 (ii) with use.
- 1044 (91) (a) "Prepared food" means:
- 1045 (i) food:
- 1046 (A) sold in a heated state; or
- 1047 (B) heated by a seller;
- 1048 (ii) two or more food ingredients mixed or combined by the seller for sale as a single
- 1049 item; or
- 1050 (iii) except as provided in Subsection (91)(c), food sold with an eating utensil provided
- 1051 by the seller, including a:
- 1052 (A) plate;
- 1053 (B) knife;
- 1054 (C) fork;
- 1055 (D) spoon;
- 1056 (E) glass;
- 1057 (F) cup;
- 1058 (G) napkin; or
- 1059 (H) straw.
- 1060 (b) "Prepared food" does not include:
- 1061 (i) food that a seller only:
- 1062 (A) cuts;
- 1063 (B) repackages; or
- 1064 (C) pasteurizes; or
- 1065 (ii) (A) the following:

- 1066 (I) raw egg;
- 1067 (II) raw fish;
- 1068 (III) raw meat;
- 1069 (IV) raw poultry; or
- 1070 (V) a food containing an item described in Subsections (91)(b)(ii)(A)(I) through (IV);
- 1071 and
- 1072 (B) if the Food and Drug Administration recommends in Chapter 3, Part 401.11 of the
- 1073 Food and Drug Administration's Food Code that a consumer cook the items described in
- 1074 Subsection (91)(b)(ii)(A) to prevent food borne illness; or
- 1075 (iii) the following if sold without eating utensils provided by the seller:
- 1076 (A) food and food ingredients sold by a seller if the seller's proper primary
- 1077 classification under the 2002 North American Industry Classification System of the federal
- 1078 Executive Office of the President, Office of Management and Budget, is manufacturing in
- 1079 Sector 311, Food Manufacturing, except for Subsector 3118, Bakeries and Tortilla
- 1080 Manufacturing;
- 1081 (B) food and food ingredients sold in an unheated state:
- 1082 (I) by weight or volume; and
- 1083 (II) as a single item; or
- 1084 (C) a bakery item, including:
- 1085 (I) a bagel;
- 1086 (II) a bar;
- 1087 (III) a biscuit;
- 1088 (IV) bread;
- 1089 (V) a bun;
- 1090 (VI) a cake;
- 1091 (VII) a cookie;
- 1092 (VIII) a croissant;
- 1093 (IX) a danish;

- 1094 (X) a donut;
- 1095 (XI) a muffin;
- 1096 (XII) a pastry;
- 1097 (XIII) a pie;
- 1098 (XIV) a roll;
- 1099 (XV) a tart;
- 1100 (XVI) a torte; or
- 1101 (XVII) a tortilla.
- 1102 (c) An eating utensil provided by the seller does not include the following used to
- 1103 transport the food:
  - 1104 (i) a container; or
  - 1105 (ii) packaging.
- 1106 (92) "Prescription" means an order, formula, or recipe that is issued:
  - 1107 (a) (i) orally;
  - 1108 (ii) in writing;
  - 1109 (iii) electronically; or
  - 1110 (iv) by any other manner of transmission; and
  - 1111 (b) by a licensed practitioner authorized by the laws of a state.
- 1112 (93) (a) Except as provided in Subsection (93)(b)(ii) or (iii), "prewritten computer
- 1113 software" means computer software that is not designed and developed:
  - 1114 (i) by the author or other creator of the computer software; and
  - 1115 (ii) to the specifications of a specific purchaser.
- 1116 (b) "Prewritten computer software" includes:
  - 1117 (i) a prewritten upgrade to computer software if the prewritten upgrade to the computer
  - 1118 software is not designed and developed:
    - 1119 (A) by the author or other creator of the computer software; and
    - 1120 (B) to the specifications of a specific purchaser;
  - 1121 (ii) computer software designed and developed by the author or other creator of the



1122 computer software to the specifications of a specific purchaser if the computer software is sold  
1123 to a person other than the purchaser; or

1124 (iii) except as provided in Subsection (93)(c), prewritten computer software or a  
1125 prewritten portion of prewritten computer software:

1126 (A) that is modified or enhanced to any degree; and

1127 (B) if the modification or enhancement described in Subsection (93)(b)(iii)(A) is  
1128 designed and developed to the specifications of a specific purchaser.

1129 (c) "Prewritten computer software" does not include a modification or enhancement  
1130 described in Subsection (93)(b)(iii) if the charges for the modification or enhancement are:

1131 (i) reasonable; and

1132 (ii) subject to Subsections 59-12-103(2)(e)(ii) and (2)(f)(i), separately stated on the  
1133 invoice or other statement of price provided to the purchaser at the time of sale or later, as  
1134 demonstrated by:

1135 (A) the books and records the seller keeps at the time of the transaction in the regular  
1136 course of business, including books and records the seller keeps at the time of the transaction in  
1137 the regular course of business for nontax purposes;

1138 (B) a preponderance of the facts and circumstances at the time of the transaction; and

1139 (C) the understanding of all of the parties to the transaction.

1140 (94) (a) "Private communications service" means a telecommunications service:

1141 (i) that entitles a customer to exclusive or priority use of one or more communications  
1142 channels between or among termination points; and

1143 (ii) regardless of the manner in which the one or more communications channels are  
1144 connected.

1145 (b) "Private communications service" includes the following provided in connection  
1146 with the use of one or more communications channels:

1147 (i) an extension line;

1148 (ii) a station;

1149 (iii) switching capacity; or

1150 (iv) another associated service that is provided in connection with the use of one or  
1151 more communications channels as defined in Section 59-12-215.

1152 (95) (a) Except as provided in Subsection (95)(b), "product transferred electronically"  
1153 means a product transferred electronically that would be subject to a tax under this chapter if  
1154 that product was transferred in a manner other than electronically.

1155 (b) "Product transferred electronically" does not include:

- 1156 (i) an ancillary service;
- 1157 (ii) computer software; or
- 1158 (iii) a telecommunications service.

1159 (96) (a) "Prosthetic device" means a device that is worn on or in the body to:

- 1160 (i) artificially replace a missing portion of the body;
- 1161 (ii) prevent or correct a physical deformity or physical malfunction; or
- 1162 (iii) support a weak or deformed portion of the body.

1163 (b) "Prosthetic device" includes:

- 1164 (i) parts used in the repairs or renovation of a prosthetic device;
- 1165 (ii) replacement parts for a prosthetic device;
- 1166 (iii) a dental prosthesis; or
- 1167 (iv) a hearing aid.

1168 (c) "Prosthetic device" does not include:

- 1169 (i) corrective eyeglasses; or
- 1170 (ii) contact lenses.

1171 (97) (a) "Protective equipment" means an item:

- 1172 (i) for human wear; and
- 1173 (ii) that is:
  - 1174 (A) designed as protection:
    - 1175 (I) to the wearer against injury or disease; or
    - 1176 (II) against damage or injury of other persons or property; and
  - 1177 (B) not suitable for general use.

1178 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1179 commission shall make rules:

- 1180 (i) listing the items that constitute "protective equipment"; and
- 1181 (ii) that are consistent with the list of items that constitute "protective equipment"
- 1182 under the agreement.

1183 (98) (a) For purposes of Subsection 59-12-104(41), "publication" means any written or  
1184 printed matter, other than a photocopy:

- 1185 (i) regardless of:
  - 1186 (A) characteristics;
  - 1187 (B) copyright;
  - 1188 (C) form;
  - 1189 (D) format;
  - 1190 (E) method of reproduction; or
  - 1191 (F) source; and
- 1192 (ii) made available in printed or electronic format.

1193 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1194 commission may by rule define the term "photocopy."

1195 (99) (a) "Purchase price" and "sales price" mean the total amount of consideration:

- 1196 (i) valued in money; and
- 1197 (ii) for which tangible personal property, a product transferred electronically, or  
1198 services are:

- 1199 (A) sold;
- 1200 (B) leased; or
- 1201 (C) rented.

1202 (b) "Purchase price" and "sales price" include:

- 1203 (i) the seller's cost of the tangible personal property, a product transferred  
1204 electronically, or services sold;
- 1205 (ii) expenses of the seller, including:

- 1206 (A) the cost of materials used;
- 1207 (B) a labor cost;
- 1208 (C) a service cost;
- 1209 (D) interest;
- 1210 (E) a loss;
- 1211 (F) the cost of transportation to the seller; or
- 1212 (G) a tax imposed on the seller;
- 1213 (iii) a charge by the seller for any service necessary to complete the sale; or
- 1214 (iv) consideration a seller receives from a person other than the purchaser if:
  - 1215 (A) (I) the seller actually receives consideration from a person other than the purchaser;
  - 1216 and
  - 1217 (II) the consideration described in Subsection (99)(b)(iv)(A)(I) is directly related to a
  - 1218 price reduction or discount on the sale;
  - 1219 (B) the seller has an obligation to pass the price reduction or discount through to the
  - 1220 purchaser;
  - 1221 (C) the amount of the consideration attributable to the sale is fixed and determinable by
  - 1222 the seller at the time of the sale to the purchaser; and
  - 1223 (D) (I) (Aa) the purchaser presents a certificate, coupon, or other documentation to the
  - 1224 seller to claim a price reduction or discount; and
  - 1225 (Bb) a person other than the seller authorizes, distributes, or grants the certificate,
  - 1226 coupon, or other documentation with the understanding that the person other than the seller
  - 1227 will reimburse any seller to whom the certificate, coupon, or other documentation is presented;
  - 1228 (II) the purchaser identifies that purchaser to the seller as a member of a group or
  - 1229 organization allowed a price reduction or discount, except that a preferred customer card that is
  - 1230 available to any patron of a seller does not constitute membership in a group or organization
  - 1231 allowed a price reduction or discount; or
  - 1232 (III) the price reduction or discount is identified as a third party price reduction or
  - 1233 discount on the:

- 1234 (Aa) invoice the purchaser receives; or
- 1235 (Bb) certificate, coupon, or other documentation the purchaser presents.
- 1236 (c) "Purchase price" and "sales price" do not include:
- 1237 (i) a discount:
- 1238 (A) in a form including:
- 1239 (I) cash;
- 1240 (II) term; or
- 1241 (III) coupon;
- 1242 (B) that is allowed by a seller;
- 1243 (C) taken by a purchaser on a sale; and
- 1244 (D) that is not reimbursed by a third party; or
- 1245 (ii) subject to Subsections [59-12-103\(2\)\(e\)\(ii\)](#) and [\(2\)\(f\)\(i\)](#), the following if separately
- 1246 stated on an invoice, bill of sale, or similar document provided to the purchaser at the time of
- 1247 sale or later, as demonstrated by the books and records the seller keeps at the time of the
- 1248 transaction in the regular course of business, including books and records the seller keeps at the
- 1249 time of the transaction in the regular course of business for nontax purposes, by a
- 1250 preponderance of the facts and circumstances at the time of the transaction, and by the
- 1251 understanding of all of the parties to the transaction:
- 1252 (A) the following from credit extended on the sale of tangible personal property or
- 1253 services:
- 1254 (I) a carrying charge;
- 1255 (II) a financing charge; or
- 1256 (III) an interest charge;
- 1257 (B) a delivery charge;
- 1258 (C) an installation charge;
- 1259 (D) a manufacturer rebate on a motor vehicle; or
- 1260 (E) a tax or fee legally imposed directly on the consumer.
- 1261 (100) "Purchaser" means a person to whom:

- 1262 (a) a sale of tangible personal property is made;
- 1263 (b) a product is transferred electronically; or
- 1264 (c) a service is furnished.
- 1265 (101) "Qualifying enterprise data center" means an establishment that will:
- 1266 (a) own and operate a data center facility that will house a group of networked server
- 1267 computers in one physical location in order to centralize the dissemination, management, and
- 1268 storage of data and information;
- 1269 (b) be located in the state;
- 1270 (c) be a new operation constructed on or after July 1, 2016;
- 1271 (d) consist of one or more buildings that total 150,000 or more square feet;
- 1272 (e) be owned or leased by:
- 1273 (i) the establishment; or
- 1274 (ii) a person under common ownership, as defined in Section 59-7-101, of the
- 1275 establishment; and
- 1276 (f) be located on one or more parcels of land that are owned or leased by:
- 1277 (i) the establishment; or
- 1278 (ii) a person under common ownership, as defined in Section 59-7-101, of the
- 1279 establishment.
- 1280 (102) "Regularly rented" means:
- 1281 (a) rented to a guest for value three or more times during a calendar year; or
- 1282 (b) advertised or held out to the public as a place that is regularly rented to guests for
- 1283 value.
- 1284 (103) "Rental" means the same as that term is defined in Subsection (59).
- 1285 (104) (a) Except as provided in Subsection (104)(b), "repairs or renovations of tangible
- 1286 personal property" means:
- 1287 (i) a repair or renovation of tangible personal property that is not permanently attached
- 1288 to real property; or
- 1289 (ii) attaching tangible personal property or a product transferred electronically to other

1290 tangible personal property or detaching tangible personal property or a product transferred  
1291 electronically from other tangible personal property if:

1292 (A) the other tangible personal property to which the tangible personal property or  
1293 product transferred electronically is attached or from which the tangible personal property or  
1294 product transferred electronically is detached is not permanently attached to real property; and

1295 (B) the attachment of tangible personal property or a product transferred electronically  
1296 to other tangible personal property or detachment of tangible personal property or a product  
1297 transferred electronically from other tangible personal property is made in conjunction with a  
1298 repair or replacement of tangible personal property or a product transferred electronically.

1299 (b) "Repairs or renovations of tangible personal property" does not include:

1300 (i) attaching prewritten computer software to other tangible personal property if the  
1301 other tangible personal property to which the prewritten computer software is attached is not  
1302 permanently attached to real property; or

1303 (ii) detaching prewritten computer software from other tangible personal property if the  
1304 other tangible personal property from which the prewritten computer software is detached is  
1305 not permanently attached to real property.

1306 (105) "Research and development" means the process of inquiry or experimentation  
1307 aimed at the discovery of facts, devices, technologies, or applications and the process of  
1308 preparing those devices, technologies, or applications for marketing.

1309 (106) (a) "Residential telecommunications services" means a telecommunications  
1310 service or an ancillary service that is provided to an individual for personal use:

1311 (i) at a residential address; or

1312 (ii) at an institution, including a nursing home or a school, if the telecommunications  
1313 service or ancillary service is provided to and paid for by the individual residing at the  
1314 institution rather than the institution.

1315 (b) For purposes of Subsection (106)(a)(i), a residential address includes an:

1316 (i) apartment; or

1317 (ii) other individual dwelling unit.

1318 (107) "Residential use" means the use in or around a home, apartment building,  
1319 sleeping quarters, and similar facilities or accommodations.

1320 [~~(108) (a) "Retailer" means any person engaged in a regularly organized business in~~  
1321 ~~tangible personal property or any other taxable transaction under Subsection 59-12-103(1), and~~  
1322 ~~who is selling to the user or consumer and not for resale.]~~

1323 [~~(b) "Retailer" includes commission merchants, auctioneers, and any person regularly~~  
1324 ~~engaged in the business of selling to users or consumers within the state.]~~

1325 [~~(109)~~] (108) "Retail sale" or "sale at retail" means a sale, lease, or rental for a purpose  
1326 other than:

1327 (a) resale;

1328 (b) sublease; or

1329 (c) subrent.

1330 (109) (a) "Retailer" means any person engaged in a regularly organized business in  
1331 tangible personal property or any other taxable transaction under Subsection 59-12-103(1), and  
1332 who is selling to the user or consumer and not for resale.

1333 (b) "Retailer" includes commission merchants, auctioneers, and any person regularly  
1334 engaged in the business of selling to users or consumers within the state.

1335 (110) (a) "Sale" means any transfer of title, exchange, or barter, conditional or  
1336 otherwise, in any manner, of tangible personal property or any other taxable transaction under  
1337 Subsection 59-12-103(1), for consideration.

1338 (b) "Sale" includes:

1339 (i) installment and credit sales;

1340 (ii) any closed transaction constituting a sale;

1341 (iii) any sale of electrical energy, gas, services, or entertainment taxable under this  
1342 chapter;

1343 (iv) any transaction if the possession of property is transferred but the seller retains the  
1344 title as security for the payment of the price; and

1345 (v) any transaction under which right to possession, operation, or use of any article of



1346 tangible personal property is granted under a lease or contract and the transfer of possession  
1347 would be taxable if an outright sale were made.

1348 (111) "Sale at retail" means the same as that term is defined in Subsection [~~(109)~~]  
1349 (108).

1350 (112) "Sale-leaseback transaction" means a transaction by which title to tangible  
1351 personal property or a product transferred electronically that is subject to a tax under this  
1352 chapter is transferred:

1353 (a) by a purchaser-lessee;

1354 (b) to a lessor;

1355 (c) for consideration; and

1356 (d) if:

1357 (i) the purchaser-lessee paid sales and use tax on the purchaser-lessee's initial purchase  
1358 of the tangible personal property or product transferred electronically;

1359 (ii) the sale of the tangible personal property or product transferred electronically to the  
1360 lessor is intended as a form of financing:

1361 (A) for the tangible personal property or product transferred electronically; and

1362 (B) to the purchaser-lessee; and

1363 (iii) in accordance with generally accepted accounting principles, the purchaser-lessee  
1364 is required to:

1365 (A) capitalize the tangible personal property or product transferred electronically for  
1366 financial reporting purposes; and

1367 (B) account for the lease payments as payments made under a financing arrangement.

1368 (113) "Sales price" means the same as that term is defined in Subsection (99).

1369 (114) (a) "Sales relating to schools" means the following sales by, amounts paid to, or  
1370 amounts charged by a school:

1371 (i) sales that are directly related to the school's educational functions or activities

1372 including:

1373 (A) the sale of:

- 1374 (I) textbooks;
- 1375 (II) textbook fees;
- 1376 (III) laboratory fees;
- 1377 (IV) laboratory supplies; or
- 1378 (V) safety equipment;
- 1379 (B) the sale of a uniform, protective equipment, or sports or recreational equipment
- 1380 that:
- 1381 (I) a student is specifically required to wear as a condition of participation in a
- 1382 school-related event or school-related activity; and
- 1383 (II) is not readily adaptable to general or continued usage to the extent that it takes the
- 1384 place of ordinary clothing;
- 1385 (C) sales of the following if the net or gross revenues generated by the sales are
- 1386 deposited into a school district fund or school fund dedicated to school meals:
- 1387 (I) food and food ingredients; or
- 1388 (II) prepared food; or
- 1389 (D) transportation charges for official school activities; or
- 1390 (ii) amounts paid to or amounts charged by a school for admission to a school-related
- 1391 event or school-related activity.
- 1392 (b) "Sales relating to schools" does not include:
- 1393 (i) bookstore sales of items that are not educational materials or supplies;
- 1394 (ii) except as provided in Subsection (114)(a)(i)(B):
- 1395 (A) clothing;
- 1396 (B) clothing accessories or equipment;
- 1397 (C) protective equipment; or
- 1398 (D) sports or recreational equipment; or
- 1399 (iii) amounts paid to or amounts charged by a school for admission to a school-related
- 1400 event or school-related activity if the amounts paid or charged are passed through to a person:
- 1401 (A) other than a:

- 1402 (I) school;
- 1403 (II) nonprofit organization authorized by a school board or a governing body of a
- 1404 private school to organize and direct a competitive secondary school activity; or
- 1405 (III) nonprofit association authorized by a school board or a governing body of a
- 1406 private school to organize and direct a competitive secondary school activity; and
- 1407 (B) that is required to collect sales and use taxes under this chapter.

1408 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

1409 commission may make rules defining the term "passed through."

1410 (115) For purposes of this section and Section 59-12-104, "school" means:

1411 [~~(a) means:~~]

1412 [~~(i)~~] (a) an elementary school or a secondary school that:

1413 [~~(A)~~] (i) is a:

1414 [~~(F)~~] (A) public school; or

1415 [~~(H)~~] (B) private school; and

1416 [~~(B)~~] (ii) provides instruction for one or more grades kindergarten through 12; or

1417 [~~(i)~~] (b) a public school district~~;~~ and].

1418 [~~(b) includes the Electronic High School as defined in Section 53E-10-601.]~~

1419 (116) "Seller" means a person that makes a sale, lease, or rental of:

- 1420 (a) tangible personal property;
- 1421 (b) a product transferred electronically; or
- 1422 (c) a service.

1423 (117) (a) "Semiconductor fabricating, processing, research, or development materials"

1424 means tangible personal property or a product transferred electronically if the tangible personal

1425 property or product transferred electronically is:

- 1426 (i) used primarily in the process of:
  - 1427 (A) (I) manufacturing a semiconductor;
  - 1428 (II) fabricating a semiconductor; or
  - 1429 (III) research or development of a:

- 1430 (Aa) semiconductor; or
- 1431 (Bb) semiconductor manufacturing process; or
- 1432 (B) maintaining an environment suitable for a semiconductor; or
- 1433 (ii) consumed primarily in the process of:
- 1434 (A) (I) manufacturing a semiconductor;
- 1435 (II) fabricating a semiconductor; or
- 1436 (III) research or development of a:
- 1437 (Aa) semiconductor; or
- 1438 (Bb) semiconductor manufacturing process; or
- 1439 (B) maintaining an environment suitable for a semiconductor.
- 1440 (b) "Semiconductor fabricating, processing, research, or development materials"
- 1441 includes:
- 1442 (i) parts used in the repairs or renovations of tangible personal property or a product
- 1443 transferred electronically described in Subsection (117)(a); or
- 1444 (ii) a chemical, catalyst, or other material used to:
- 1445 (A) produce or induce in a semiconductor a:
- 1446 (I) chemical change; or
- 1447 (II) physical change;
- 1448 (B) remove impurities from a semiconductor; or
- 1449 (C) improve the marketable condition of a semiconductor.
- 1450 (118) "Senior citizen center" means a facility having the primary purpose of providing
- 1451 services to the aged as defined in Section [62A-3-101](#).
- 1452 (119) (a) Subject to Subsections (119)(b) and (c), "short-term lodging consumable"
- 1453 means tangible personal property that:
- 1454 (i) a business that provides accommodations and services described in Subsection
- 1455 [59-12-103](#)(1)(i) purchases as part of a transaction to provide the accommodations and services
- 1456 to a purchaser;
- 1457 (ii) is intended to be consumed by the purchaser; and

- 1458 (iii) is:
- 1459 (A) included in the purchase price of the accommodations and services; and
- 1460 (B) not separately stated on an invoice, bill of sale, or other similar document provided
- 1461 to the purchaser.
- 1462 (b) "Short-term lodging consumable" includes:
- 1463 (i) a beverage;
- 1464 (ii) a brush or comb;
- 1465 (iii) a cosmetic;
- 1466 (iv) a hair care product;
- 1467 (v) lotion;
- 1468 (vi) a magazine;
- 1469 (vii) makeup;
- 1470 (viii) a meal;
- 1471 (ix) mouthwash;
- 1472 (x) nail polish remover;
- 1473 (xi) a newspaper;
- 1474 (xii) a notepad;
- 1475 (xiii) a pen;
- 1476 (xiv) a pencil;
- 1477 (xv) a razor;
- 1478 (xvi) saline solution;
- 1479 (xvii) a sewing kit;
- 1480 (xviii) shaving cream;
- 1481 (xix) a shoe shine kit;
- 1482 (xx) a shower cap;
- 1483 (xxi) a snack item;
- 1484 (xxii) soap;
- 1485 (xxiii) toilet paper;

1486 (xxiv) a toothbrush;  
1487 (xxv) toothpaste; or  
1488 (xxvi) an item similar to Subsections (119)(b)(i) through (xxv) as the commission may  
1489 provide by rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
1490 Rulemaking Act.

1491 (c) "Short-term lodging consumable" does not include:

1492 (i) tangible personal property that is cleaned or washed to allow the tangible personal  
1493 property to be reused; or

1494 (ii) a product transferred electronically.

1495 (120) "Simplified electronic return" means the electronic return:

1496 (a) described in Section 318(C) of the agreement; and

1497 (b) approved by the governing board of the agreement.

1498 (121) "Solar energy" means the sun used as the sole source of energy for producing  
1499 electricity.

1500 (122) (a) "Sports or recreational equipment" means an item:

1501 (i) designed for human use; and

1502 (ii) that is:

1503 (A) worn in conjunction with:

1504 (I) an athletic activity; or

1505 (II) a recreational activity; and

1506 (B) not suitable for general use.

1507 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1508 commission shall make rules:

1509 (i) listing the items that constitute "sports or recreational equipment"; and

1510 (ii) that are consistent with the list of items that constitute "sports or recreational  
1511 equipment" under the agreement.

1512 (123) "State" means the state of Utah, its departments, and agencies.

1513 (124) "Storage" means any keeping or retention of tangible personal property or any

1514 other taxable transaction under Subsection 59-12-103(1), in this state for any purpose except  
1515 sale in the regular course of business.

1516 (125) (a) Except as provided in Subsection (125)(d) or (e), "tangible personal property"  
1517 means personal property that:

1518 (i) may be:

1519 (A) seen;

1520 (B) weighed;

1521 (C) measured;

1522 (D) felt; or

1523 (E) touched; or

1524 (ii) is in any manner perceptible to the senses.

1525 (b) "Tangible personal property" includes:

1526 (i) electricity;

1527 (ii) water;

1528 (iii) gas;

1529 (iv) steam; or

1530 (v) prewritten computer software, regardless of the manner in which the prewritten  
1531 computer software is transferred.

1532 (c) "Tangible personal property" includes the following regardless of whether the item  
1533 is attached to real property:

1534 (i) a dishwasher;

1535 (ii) a dryer;

1536 (iii) a freezer;

1537 (iv) a microwave;

1538 (v) a refrigerator;

1539 (vi) a stove;

1540 (vii) a washer; or

1541 (viii) an item similar to Subsections (125)(c)(i) through (vii) as determined by the

1542 commission by rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
1543 Rulemaking Act.

1544 (d) "Tangible personal property" does not include a product that is transferred  
1545 electronically.

1546 (e) "Tangible personal property" does not include the following if attached to real  
1547 property, regardless of whether the attachment to real property is only through a line that  
1548 supplies water, electricity, gas, telephone, cable, or supplies a similar item as determined by the  
1549 commission by rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
1550 Rulemaking Act:

- 1551 (i) a hot water heater;
- 1552 (ii) a water filtration system; or
- 1553 (iii) a water softener system.

1554 (126) (a) "Telecommunications enabling or facilitating equipment, machinery, or  
1555 software" means an item listed in Subsection (126)(b) if that item is purchased or leased  
1556 primarily to enable or facilitate one or more of the following to function:

- 1557 (i) telecommunications switching or routing equipment, machinery, or software; or
- 1558 (ii) telecommunications transmission equipment, machinery, or software.

1559 (b) The following apply to Subsection (126)(a):

- 1560 (i) a pole;
- 1561 (ii) software;
- 1562 (iii) a supplementary power supply;
- 1563 (iv) temperature or environmental equipment or machinery;
- 1564 (v) test equipment;
- 1565 (vi) a tower; or
- 1566 (vii) equipment, machinery, or software that functions similarly to an item listed in

1567 Subsections (126)(b)(i) through (vi) as determined by the commission by rule made in  
1568 accordance with Subsection (126)(c).

1569 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the



1570 commission may by rule define what constitutes equipment, machinery, or software that  
1571 functions similarly to an item listed in Subsections (126)(b)(i) through (vi).

1572 (127) "Telecommunications equipment, machinery, or software required for 911  
1573 service" means equipment, machinery, or software that is required to comply with 47 C.F.R.  
1574 Sec. 20.18.

1575 (128) "Telecommunications maintenance or repair equipment, machinery, or software"  
1576 means equipment, machinery, or software purchased or leased primarily to maintain or repair  
1577 one or more of the following, regardless of whether the equipment, machinery, or software is  
1578 purchased or leased as a spare part or as an upgrade or modification to one or more of the  
1579 following:

- 1580 (a) telecommunications enabling or facilitating equipment, machinery, or software;
- 1581 (b) telecommunications switching or routing equipment, machinery, or software; or
- 1582 (c) telecommunications transmission equipment, machinery, or software.

1583 (129) (a) "Telecommunications service" means the electronic conveyance, routing, or  
1584 transmission of audio, data, video, voice, or any other information or signal to a point, or  
1585 among or between points.

1586 (b) "Telecommunications service" includes:

1587 (i) an electronic conveyance, routing, or transmission with respect to which a computer  
1588 processing application is used to act:

1589 (A) on the code, form, or protocol of the content;

1590 (B) for the purpose of electronic conveyance, routing, or transmission; and

1591 (C) regardless of whether the service:

1592 (I) is referred to as voice over Internet protocol service; or

1593 (II) is classified by the Federal Communications Commission as enhanced or value  
1594 added;

1595 (ii) an 800 service;

1596 (iii) a 900 service;

1597 (iv) a fixed wireless service;

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

- 1626 (D) software; or
- 1627 (E) video;
- 1628 (ix) a radio and television audio and video programming service:
- 1629 (A) regardless of the medium; and
- 1630 (B) including:
- 1631 (I) furnishing conveyance, routing, or transmission of a television audio and video
- 1632 programming service by a programming service provider;
- 1633 (II) cable service as defined in 47 U.S.C. Sec. 522(6); or
- 1634 (III) audio and video programming services delivered by a commercial mobile radio
- 1635 service provider as defined in 47 C.F.R. Sec. 20.3;
- 1636 (x) a value-added nonvoice data service; or
- 1637 (xi) tangible personal property.
- 1638 (130) (a) "Telecommunications service provider" means a person that:
- 1639 (i) owns, controls, operates, or manages a telecommunications service; and
- 1640 (ii) engages in an activity described in Subsection (130)(a)(i) for the shared use with or
- 1641 resale to any person of the telecommunications service.
- 1642 (b) A person described in Subsection (130)(a) is a telecommunications service provider
- 1643 whether or not the Public Service Commission of Utah regulates:
- 1644 (i) that person; or
- 1645 (ii) the telecommunications service that the person owns, controls, operates, or
- 1646 manages.
- 1647 (131) (a) "Telecommunications switching or routing equipment, machinery, or
- 1648 software" means an item listed in Subsection (131)(b) if that item is purchased or leased
- 1649 primarily for switching or routing:
- 1650 (i) an ancillary service;
- 1651 (ii) data communications;
- 1652 (iii) voice communications; or
- 1653 (iv) telecommunications service.

1654 (b) The following apply to Subsection (131)(a):

1655 (i) a bridge;

1656 (ii) a computer;

1657 (iii) a cross connect;

1658 (iv) a modem;

1659 (v) a multiplexer;

1660 (vi) plug in circuitry;

1661 (vii) a router;

1662 (viii) software;

1663 (ix) a switch; or

1664 (x) equipment, machinery, or software that functions similarly to an item listed in  
1665 Subsections (131)(b)(i) through (ix) as determined by the commission by rule made in  
1666 accordance with Subsection (131)(c).

1667 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1668 commission may by rule define what constitutes equipment, machinery, or software that  
1669 functions similarly to an item listed in Subsections (131)(b)(i) through (ix).

1670 (132) (a) "Telecommunications transmission equipment, machinery, or software"  
1671 means an item listed in Subsection (132)(b) if that item is purchased or leased primarily for  
1672 sending, receiving, or transporting:

1673 (i) an ancillary service;

1674 (ii) data communications;

1675 (iii) voice communications; or

1676 (iv) telecommunications service.

1677 (b) The following apply to Subsection (132)(a):

1678 (i) an amplifier;

1679 (ii) a cable;

1680 (iii) a closure;

1681 (iv) a conduit;

- 1682 (v) a controller;
- 1683 (vi) a duplexer;
- 1684 (vii) a filter;
- 1685 (viii) an input device;
- 1686 (ix) an input/output device;
- 1687 (x) an insulator;
- 1688 (xi) microwave machinery or equipment;
- 1689 (xii) an oscillator;
- 1690 (xiii) an output device;
- 1691 (xiv) a pedestal;
- 1692 (xv) a power converter;
- 1693 (xvi) a power supply;
- 1694 (xvii) a radio channel;
- 1695 (xviii) a radio receiver;
- 1696 (xix) a radio transmitter;
- 1697 (xx) a repeater;
- 1698 (xxi) software;
- 1699 (xxii) a terminal;
- 1700 (xxiii) a timing unit;
- 1701 (xxiv) a transformer;
- 1702 (xxv) a wire; or
- 1703 (xxvi) equipment, machinery, or software that functions similarly to an item listed in
- 1704 Subsections (132)(b)(i) through (xxv) as determined by the commission by rule made in
- 1705 accordance with Subsection (132)(c).
- 1706 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 1707 commission may by rule define what constitutes equipment, machinery, or software that
- 1708 functions similarly to an item listed in Subsections (132)(b)(i) through (xxv).
- 1709 (133) (a) "Textbook for a higher education course" means a textbook or other printed

1710 material that is required for a course:

1711 (i) offered by an institution of higher education; and

1712 (ii) that the purchaser of the textbook or other printed material attends or will attend.

1713 (b) "Textbook for a higher education course" includes a textbook in electronic format.

1714 (134) "Tobacco" means:

1715 (a) a cigarette;

1716 (b) a cigar;

1717 (c) chewing tobacco;

1718 (d) pipe tobacco; or

1719 (e) any other item that contains tobacco.

1720 (135) "Unassisted amusement device" means an amusement device, skill device, or  
1721 ride device that is started and stopped by the purchaser or renter of the right to use or operate  
1722 the amusement device, skill device, or ride device.

1723 (136) (a) "Use" means the exercise of any right or power over tangible personal  
1724 property, a product transferred electronically, or a service under Subsection [59-12-103\(1\)](#),  
1725 incident to the ownership or the leasing of that tangible personal property, product transferred  
1726 electronically, or service.

1727 (b) "Use" does not include the sale, display, demonstration, or trial of tangible personal  
1728 property, a product transferred electronically, or a service in the regular course of business and  
1729 held for resale.

1730 (137) "Value-added nonvoice data service" means a service:

1731 (a) that otherwise meets the definition of a telecommunications service except that a  
1732 computer processing application is used to act primarily for a purpose other than conveyance,  
1733 routing, or transmission; and

1734 (b) with respect to which a computer processing application is used to act on data or  
1735 information:

1736 (i) code;

1737 (ii) content;

- 1738 (iii) form; or
- 1739 (iv) protocol.
- 1740 (138) (a) Subject to Subsection (138)(b), "vehicle" means the following that are
- 1741 required to be titled, registered, or titled and registered:
- 1742 (i) an aircraft as defined in Section 72-10-102;
- 1743 (ii) a vehicle as defined in Section 41-1a-102;
- 1744 (iii) an off-highway vehicle as defined in Section 41-22-2; or
- 1745 (iv) a vessel as defined in Section 41-1a-102.
- 1746 (b) For purposes of Subsection 59-12-104(33) only, "vehicle" includes:
- 1747 (i) a vehicle described in Subsection (138)(a); or
- 1748 (ii) (A) a locomotive;
- 1749 (B) a freight car;
- 1750 (C) railroad work equipment; or
- 1751 (D) other railroad rolling stock.
- 1752 (139) "Vehicle dealer" means a person engaged in the business of buying, selling, or
- 1753 exchanging a vehicle as defined in Subsection (138).
- 1754 (140) (a) "Vertical service" means an ancillary service that:
- 1755 (i) is offered in connection with one or more telecommunications services; and
- 1756 (ii) offers an advanced calling feature that allows a customer to:
- 1757 (A) identify a caller; and
- 1758 (B) manage multiple calls and call connections.
- 1759 (b) "Vertical service" includes an ancillary service that allows a customer to manage a
- 1760 conference bridging service.
- 1761 (141) (a) "Voice mail service" means an ancillary service that enables a customer to
- 1762 receive, send, or store a recorded message.
- 1763 (b) "Voice mail service" does not include a vertical service that a customer is required
- 1764 to have in order to utilize a voice mail service.
- 1765 (142) (a) Except as provided in Subsection (142)(b), "waste energy facility" means a

1766 facility that generates electricity:

1767 (i) using as the primary source of energy waste materials that would be placed in a  
1768 landfill or refuse pit if it were not used to generate electricity, including:

1769 (A) tires;

1770 (B) waste coal;

1771 (C) oil shale; or

1772 (D) municipal solid waste; and

1773 (ii) in amounts greater than actually required for the operation of the facility.

1774 (b) "Waste energy facility" does not include a facility that incinerates:

1775 (i) hospital waste as defined in 40 C.F.R. 60.51c; or

1776 (ii) medical/infectious waste as defined in 40 C.F.R. 60.51c.

1777 (143) "Watercraft" means a vessel as defined in Section 73-18-2.

1778 (144) "Wind energy" means wind used as the sole source of energy to produce  
1779 electricity.

1780 (145) "ZIP Code" means a Zoning Improvement Plan Code assigned to a geographic  
1781 location by the United States Postal Service.

1782 Section 5. Section **63I-1-253** is amended to read:

1783 **63I-1-253. Repeal dates, Titles 53 through 53G.**

1784 The following provisions are repealed on the following dates:

1785 (1) Subsection 53-10-202(18) is repealed July 1, 2018.

1786 (2) Section 53-10-202.1 is repealed July 1, 2018.

1787 (3) Title 53B, Chapter 17, Part 11, USTAR Researchers, is repealed July 1, 2028.

1788 (4) Section 53B-18-1501 is repealed July 1, 2021.

1789 (5) Title 53B, Chapter 18, Part 16, USTAR Researchers, is repealed July 1, 2028.

1790 (6) Section 53B-24-402, Rural residency training program, is repealed July 1, 2020.

1791 (7) Subsection 53C-3-203(4)(b)(vii), which provides for the distribution of money  
1792 from the Land Exchange Distribution Account to the Geological Survey for test wells, other  
1793 hydrologic studies, and air quality monitoring in the West Desert, is repealed July 1, 2020.



- 1794 (8) Section [53E-3-515](#) is repealed January 1, 2023.
- 1795 (9) Section [53F-2-514](#) is repealed July 1, 2020.
- 1796 (10) Section [53F-5-203](#) is repealed July 1, 2019.
- 1797 (11) Title 53F, Chapter 5, Part 6, American Indian and Alaskan Native Education State  
 1798 Plan Pilot Program, is repealed July 1, 2022.
- 1799 (12) Section [53F-6-201](#) is repealed July 1, 2019.
- 1800 (13) Section [53F-9-501](#) is repealed January 1, 2023.
- 1801 (14) Subsection [53G-8-211\(4\)](#), regarding referrals of a minor to court for a class C  
 1802 misdemeanor, is repealed July 1, 2020.
- 1803 Section 6. Section **63I-2-253** is amended to read:
- 1804 **63I-2-253. Repeal dates -- Titles 53 through 53G.**
- 1805 (1) Section [53A-24-602](#) is repealed July 1, 2018.
- 1806 (2) (a) Subsections [53B-2a-103\(2\)](#) and (4), regarding the composition of the UTech  
 1807 Board of Trustees and the transition to that composition, are repealed July 1, 2019.
- 1808 (b) When repealing Subsections [53B-2a-103\(2\)](#) and (4), the Office of Legislative  
 1809 Research and General Counsel shall, in addition to its authority under Subsection [36-12-12\(3\)](#),  
 1810 make necessary changes to subsection numbering and cross references.
- 1811 (3) (a) Subsection [53B-2a-108\(5\)](#), regarding exceptions to the composition of a  
 1812 technical college board of directors, is repealed July 1, 2022.
- 1813 (b) When repealing Subsection [53B-2a-108\(5\)](#), the Office of Legislative Research and  
 1814 General Counsel shall, in addition to its authority under Subsection [36-12-12\(3\)](#), make  
 1815 necessary changes to subsection numbering and cross references.
- 1816 (4) (a) Subsection [53B-7-705\(6\)\(b\)\(ii\)\(A\)](#), the language that states "Except as provided  
 1817 in Subsection (6)(b)(ii)(B)," is repealed July 1, 2021.
- 1818 (b) Subsection [53B-7-705\(6\)\(b\)\(ii\)\(B\)](#), regarding comparing a technical college's  
 1819 change in performance with the technical college's average performance, is repealed July 1,  
 1820 2021.
- 1821 (5) (a) Subsection [53B-7-707\(4\)\(a\)\(ii\)](#), the language that states "Except as provided in

1822 Subsection (4)(b)," is repealed July 1, 2021.

1823 (b) Subsection [53B-7-707\(4\)\(b\)](#), regarding performance data of a technical college  
1824 during a fiscal year before fiscal year 2020, is repealed July 1, 2021.

1825 (6) (a) The following sections, regarding the Regents' scholarship program, are  
1826 repealed on July 1, 2023:

1827 (i) Section [53B-8-202](#);

1828 (ii) Section [53B-8-203](#);

1829 (iii) Section [53B-8-204](#); and

1830 (iv) Section [53B-8-205](#).

1831 (b) (i) Subsection [53B-8-201\(2\)](#), regarding the Regents' scholarship program for  
1832 students who graduate from high school before fiscal year 2019, is repealed on July 1, 2023.

1833 (ii) When repealing Subsection [53B-8-201\(2\)](#), the Office of Legislative Research and  
1834 General Counsel shall, in addition to its authority under Subsection [36-12-12\(3\)](#), make  
1835 necessary changes to subsection numbering and cross references.

1836 (7) Title 53B, Chapter 18, Part 14, Uintah Basin Air Quality Research Project, is  
1837 repealed July 1, 2023.

1838 (8) Subsection [53E-5-306\(3\)\(b\)\(ii\)\(B\)](#), related to improving school performance and  
1839 continued funding relating to the School Recognition and Reward Program, is repealed July 1,  
1840 2020.

1841 (9) Section [53E-5-307](#) is repealed July 1, 2020.

1842 (10) Subsections [53F-2-205\(4\)](#) and (5), regarding the State Board of Education's duties  
1843 if contributions from the minimum basic tax rate are overestimated or underestimated, the  
1844 language that states "or [53F-2-301.5](#), as applicable" is repealed July 1, 2023.

1845 (11) Subsection [53F-2-301\(1\)](#), relating to the years the section is not in effect, is  
1846 repealed July 1, 2023.

1847 (12) Subsection [53F-2-515\(1\)](#), the language that states "or [53F-2-301.5](#), as applicable"  
1848 is repealed July 1, 2023.

1849 (13) Section [53F-4-204](#) is repealed July 1, 2019.

1850 [~~(14)~~] ~~Section 53F-6-202 is repealed July 1, 2020.~~

1851 [~~(15)~~] (14) Subsection 53F-9-302(3), the language that states "or 53F-2-301.5, as  
1852 applicable" is repealed July 1, 2023.

1853 [~~(16)~~] (15) Subsection 53F-9-305(3)(a), the language that states "or 53F-2-301.5, as  
1854 applicable" is repealed July 1, 2023.

1855 [~~(17)~~] (16) Subsection 53F-9-306(3)(a), the language that states "or 53F-2-301.5, as  
1856 applicable" is repealed July 1, 2023.

1857 [~~(18)~~] (17) Subsection 53G-3-304(1)(c)(i), the language that states "or 53F-2-301.5, as  
1858 applicable" is repealed July 1, 2023.

1859 [~~(19)~~] (18) On July 1, 2023, when making changes in this section, the Office of  
1860 Legislative Research and General Counsel shall, in addition to the office's authority under  
1861 Subsection 36-12-12(3), make corrections necessary to ensure that sections and subsections  
1862 identified in this section are complete sentences and accurately reflect the office's perception of  
1863 the Legislature's intent.

1864 Section 7. Section 63I-2-263 is amended to read:

1865 **63I-2-263. Repeal dates, Title 63A to Title 63N.**

1866 (1) On July 1, 2020:

1867 (a) Subsection 63A-3-403(5)(a)(i) is repealed; and

1868 (b) in Subsection 63A-3-403(5)(a)(ii), the language that states "appointed on or after  
1869 May 8, 2018," is repealed.

1870 (2) Title 63C, Chapter 19, Higher Education Strategic Planning Commission, is  
1871 repealed July 1, 2020.

1872 (3) Section 63H-7a-303 is repealed on July 1, 2022.

1873 (4) On July 1, 2019:

1874 (a) in Subsection 63J-1-206(2)(c)(i), the language that states "Subsection (2)(c)(ii) and"  
1875 is repealed; and

1876 (b) Subsection 63J-1-206(2)(c)(ii) is repealed.

1877 (5) Section 63J-4-708 is repealed January 1, 2023.

1878 (6) Subsection 63N-3-109(2)(f)(i)(B) is repealed July 1, 2020.

1879 [~~(7) Section 63N-3-110 is repealed July 1, 2020.~~]

1880 Section 8. Section 63N-3-105 is amended to read:

1881 **63N-3-105. Qualification for assistance.**

1882 (1) Except as provided in Section 63N-3-108, 63N-3-109, or 63N-3-109.5, [~~or~~  
1883 ~~63N-3-110;~~] the administrator shall determine which industries, companies, and individuals  
1884 qualify to receive money from the Industrial Assistance Account. Except as provided by  
1885 Subsection (2), to qualify for financial assistance from the restricted account, an applicant  
1886 shall:

1887 (a) demonstrate to the satisfaction of the administrator that the applicant will expend  
1888 funds in Utah with employees, vendors, subcontractors, or other businesses in an amount  
1889 proportional with money provided from the restricted account at a minimum ratio of 2 to 1 per  
1890 year or other more stringent requirements as established from time to time by the board for a  
1891 minimum period of five years beginning with the date the loan or grant was approved;

1892 (b) demonstrate to the satisfaction of the administrator the applicant's ability to sustain  
1893 economic activity in the state sufficient to repay, by means of cash or appropriate credits, the  
1894 loan provided by the restricted account; and

1895 (c) satisfy other criteria the administrator considers appropriate.

1896 (2) (a) The administrator may exempt an applicant from the requirements of Subsection  
1897 (1)(a) or (b) if:

1898 (i) the financial assistance is provided to an applicant for the purpose of locating all or  
1899 any portion of its operations to an economically disadvantaged rural area;

1900 (ii) the applicant is part of a targeted industry;

1901 (iii) the applicant is a quasi-public corporation organized under Title 16, Chapter 6a,  
1902 Utah Revised Nonprofit Corporation Act, or Title 63E, Chapter 2, Independent Corporations  
1903 Act, and its operations, as demonstrated to the satisfaction of the administrator, will provide  
1904 significant economic stimulus to the growth of commerce and industry in the state; or

1905 (iv) the applicant is an entity offering an economic opportunity under Section

1906 63N-3-109.

1907 (b) The administrator may not exempt the applicant from the requirement under  
1908 Subsection 63N-3-106(2)(b) that the loan be structured so that the repayment or return to the  
1909 state equals at least the amount of the assistance together with an annual interest charge.

1910 (3) The administrator shall:

1911 (a) for applicants not described in Subsection (2)(a):

1912 (i) make findings as to whether or not each applicant has satisfied each of the  
1913 conditions set forth in Subsection (1); and

1914 (ii) monitor the continued compliance by each applicant with each of the conditions set  
1915 forth in Subsection (1) for five years;

1916 (b) for applicants described in Subsection (2)(a), make findings as to whether the  
1917 economic activities of each applicant has resulted in the creation of new jobs on a per capita  
1918 basis in the economically disadvantaged rural area or targeted industry in which the applicant is  
1919 located;

1920 (c) monitor the compliance by each applicant with the provisions of any contract or  
1921 agreement entered into between the applicant and the state as provided in Section 63N-3-107;  
1922 and

1923 (d) make funding decisions based upon appropriate findings and compliance.

1924 Section 9. **Repealer.**

1925 This bill repeals:

1926 Section 53A-1a-804, **Scholarship program created -- Qualifications -- Application.**

1927 Section 53A-1a-805, **Eligible private schools.**

1928 Section 53A-1a-806, **Scholarship payments.**

1929 Section 53A-1a-808, **Board to make rules.**

1930 Section 53A-1a-811, **Review by legislative auditor general.**

1931 Section 53E-10-601, **Definitions.**

1932 Section 53E-10-602, **Electronic High School created -- Purpose.**

1933 Section 53E-10-603, **Courses and credit.**

- 1934 Section **53E-10-604**, Student eligibility for enrollment.
- 1935 Section **53E-10-605**, Services to students with disabilities.
- 1936 Section **53E-10-606**, Payment for an Electronic High School course.
- 1937 Section **53E-10-607**, Electronic High School diploma.
- 1938 Section **53E-10-608**, Review by legislative auditor general.
- 1939 Section **53E-10-609**, State contribution for the Electronic High School.
- 1940 Section **53F-2-313**, Weighted pupil units for career and technical education
- 1941 **set-aside programs.**
- 1942 Section **53F-2-413**, Alternative programs.
- 1943 Section **53F-2-509**, Grants for field trips to the State Capitol.
- 1944 Section **53F-2-517**, Quality Teaching Block Grant Program -- State contributions.
- 1945 Section **53F-2-518**, Appropriation for retirement and social security.
- 1946 Section **53F-5-208**, Reading Performance Improvement Scholarship Program.
- 1947 Section **53F-6-202**, Smart School Technology Program.
- 1948 Section **53G-3-103**, Legislative findings.
- 1949 Section **53G-4-1001.5**, Purpose of part.
- 1950 Section **63N-3-110**, Selection of educational technology provider to implement
- 1951 **whole-school one-to-one mobile device technology deployment plan for schools.**