

Wayne A. Harper proposes the following substitute bill:

**Motor Vehicle Division Amendments**

2025 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne A. Harper**

House Sponsor: Kay J. Christofferson

---

---

**LONG TITLE**

**General Description:**

This bill amends provisions pertaining to the Motor Vehicle Division to make technical changes and clean up.

**Highlighted Provisions:**

This bill:

- defines terms related to trailers, motorboats, and motorcycles;
- allows a fleet of personal vehicles to be registered as a fleet;
- clarifies that a street-legal off-highway vehicle includes an off-highway motorcycle that has been modified to have equipment necessary for on-highway use;
- clarifies which registration fees apply to certain vehicles;
- amends provisions related to insurance for a motorboat, to only require the designated agent to notify the Motor Vehicle Division of a lapse in coverage during the months of April through October;
- revises provisions related to sales and use taxes to simplify certain earmarks; and
- makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

**Utah Code Sections Affected:**

AMENDS:

**11-70-207 (Effective 07/01/26)**, as enacted by Laws of Utah 2024, Chapter 419

**26B-1-315 (Effective 07/01/26)**, as last amended by Laws of Utah 2024, Chapter 439

**41-1a-102 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapter 483

**41-1a-110 (Effective 05/07/25)**, as last amended by Laws of Utah 2023, Chapter 212

29 **41-1a-215 (Effective 01/01/26)**, as last amended by Laws of Utah 2012, Chapter 397  
 30 **41-1a-1206 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapter 483  
 31 **41-6a-102 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapter 236  
 32 **41-6a-1509 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapter 459  
 33 **41-12a-804 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapter 236  
 34 **41-22-2 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapter 242  
 35 **41-22-3 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapter 236  
 36 **41-22-5.5 (Effective 05/07/25)**, as last amended by Laws of Utah 2022, Chapter 68  
 37 **41-22-10.7 (Effective 05/07/25)**, as last amended by Laws of Utah 2022, Chapter 68  
 38 **41-22-10.8 (Effective 05/07/25)**, as last amended by Laws of Utah 2010, Chapter 363  
 39 **51-9-902 (Effective 07/01/26)**, as last amended by Laws of Utah 2024, Chapter 41  
 40 **53-2a-1102 (Effective 07/01/26)**, as last amended by Laws of Utah 2023, Chapters 34,  
 41 471  
 42 **59-12-102 (Effective 07/01/26)**, as last amended by Laws of Utah 2024, Chapter 274  
 43 **59-12-103 (Effective 07/01/26)**, as last amended by Laws of Utah 2024, Chapters 88, 501  
 44 **59-12-104.2 (Effective 07/01/26)**, as last amended by Laws of Utah 2022, Chapter 274  
 45 **59-12-1201 (Effective 07/01/26)**, as last amended by Laws of Utah 2024, Chapter 274  
 46 **63N-2-510 (Effective 07/01/26)**, as last amended by Laws of Utah 2023, Chapter 471  
 47 **63N-2-512 (Effective 07/01/26)**, as last amended by Laws of Utah 2024, Chapter 159  
 48 **72-2-106 (Effective 07/01/26)**, as last amended by Laws of Utah 2023, Chapter 22  
 49 **72-2-124 (Effective 07/01/26)**, as last amended by Laws of Utah 2024, Chapters 498, 501  
 50 **73-2-1.6 (Effective 07/01/26)**, as last amended by Laws of Utah 2024, Chapter 154

51

---

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

53 Section 1. Section **11-70-207** is amended to read:

54 **11-70-207 (Effective 07/01/26). Use of fairpark district funds.**

55 (1)(a) Subject to Subsection (2), the fairpark district may use fairpark district funds for  
 56 any purpose authorized under this chapter, including to pay for:

57 (i) the development and construction of a qualified stadium;

58 (ii) administrative, overhead, legal, consulting, and other operating expenses of the  
 59 fairpark district;

60 (iii) all or part of the development of land within a project area, including:

61 (A) financing or refinancing; and

62 (B) assisting the ongoing operation of a development or facility within the project

- 63 area;
- 64 (iv) the cost of the installation of public infrastructure and improvements outside a  
65 project area if the board determines by resolution that the infrastructure and  
66 improvements are of benefit to the project area;
- 67 (v) the principal and interest on bonds issued by the fairpark district;
- 68 (vi) the payment of an infrastructure loan, as defined in Section 11-70-104, according  
69 to the terms of the infrastructure loan; and
- 70 (vii) the costs of promoting, facilitating, and implementing other development of land  
71 within the fairpark district boundary.

72 (b) The determination of the board under Subsection (1)(a)(iv) regarding benefit to the  
73 project area is final.

74 (2)(a) The fairpark district may use money it receives under Subsection 59-12-1201  
75 (2)(a)(ii) and Subsection [~~59-12-103(16)~~] 59-12-103(8) only for the development and  
76 construction of a qualified stadium, including paying for bonds issued to pay for the  
77 development and construction of a qualified stadium.

78 (b) If the amount of money the fairpark district receives under Subsection (2)(a) exceeds  
79 the amount required to pay the annual debt service on bonds issued to pay for the  
80 development and construction of a qualified stadium, the fairpark district shall use  
81 the excess amount received to pay down the principal on those bonds.

82 (3) The fairpark district may share enhanced property tax revenue with a taxing entity that  
83 levies a property tax on land within the project area from which the enhanced property  
84 tax revenue is generated.

85 Section 2. Section **26B-1-315** is amended to read:

86 **26B-1-315 (Effective 07/01/26). Medicaid ACA Fund.**

87 (1) There is created an expendable special revenue fund known as the "Medicaid ACA  
88 Fund."

89 (2) The fund consists of:

- 90 (a) assessments collected under Chapter 3, Part 5, Inpatient Hospital Assessment;
- 91 (b) intergovernmental transfers under Section 26B-3-508;
- 92 (c) savings attributable to the health coverage improvement program, as defined in  
93 Section 26B-3-501, as determined by the department;
- 94 (d) savings attributable to the enhancement waiver program, as defined in Section  
95 26B-3-501, as determined by the department;
- 96 (e) savings attributable to the Medicaid waiver expansion, as defined in Section

- 97 26B-3-501, as determined by the department;
- 98 (f) savings attributable to the inclusion of psychotropic drugs on the preferred drug list
- 99 under Subsection 26B-3-105(3) as determined by the department;
- 100 (g) revenues collected from the sales tax described in Subsection [~~59-12-103(11)~~
- 101 ~~59-12-103(6)~~];
- 102 (h) gifts, grants, donations, or any other conveyance of money that may be made to the
- 103 fund from private sources;
- 104 (i) interest earned on money in the fund; and
- 105 (j) additional amounts as appropriated by the Legislature.
- 106 (3)(a) The fund shall earn interest.
- 107 (b) All interest earned on fund money shall be deposited into the fund.
- 108 (4)(a) A state agency administering the provisions of Chapter 3, Part 5, Inpatient
- 109 Hospital Assessment, may use money from the fund to pay the costs, not otherwise
- 110 paid for with federal funds or other revenue sources, of:
- 111 (i) the health coverage improvement program as defined in Section 26B-3-501;
- 112 (ii) the enhancement waiver program as defined in Section 26B-3-501;
- 113 (iii) a Medicaid waiver expansion as defined in Section 26B-3-501; and
- 114 (iv) the outpatient upper payment limit supplemental payments under Section
- 115 26B-3-511.
- 116 (b) A state agency administering the provisions of Chapter 3, Part 5, Inpatient Hospital
- 117 Assessment, may not use:
- 118 (i) funds described in Subsection (2)(b) to pay the cost of private outpatient upper
- 119 payment limit supplemental payments; or
- 120 (ii) money in the fund for any purpose not described in Subsection (4)(a).
- 121 Section 3. Section **41-1a-102** is amended to read:
- 122 **41-1a-102 (Effective 05/07/25). Definitions.**
- 123 As used in this chapter:
- 124 (1) "Actual miles" means the actual distance a vehicle has traveled while in operation.
- 125 (2) "Actual weight" means the actual unladen weight of a vehicle or combination of
- 126 vehicles as operated and certified to by a weighmaster.
- 127 (3) "All-terrain type I vehicle" means the same as that term is defined in Section 41-22-2.
- 128 (4) "All-terrain type II vehicle" means the same as that term is defined in Section 41-22-2.
- 129 (5) "All-terrain type III vehicle" means the same as that term is defined in Section 41-22-2.
- 130 (6) "Alternative fuel vehicle" means:

- 131 (a) an electric motor vehicle;
- 132 (b) a hybrid electric motor vehicle;
- 133 (c) a plug-in hybrid electric motor vehicle; or
- 134 (d) a motor vehicle powered exclusively by a fuel other than:
- 135 (i) motor fuel;
- 136 (ii) diesel fuel;
- 137 (iii) natural gas; or
- 138 (iv) propane.
- 139 (7) "Amateur radio operator" means a person licensed by the Federal Communications  
140 Commission to engage in private and experimental two-way radio operation on the  
141 amateur band radio frequencies.
- 142 (8) "Autocycle" means the same as that term is defined in Section 53-3-102.
- 143 (9) "Automated driving system" means the same as that term is defined in Section  
144 41-26-102.1.
- 145 (10) "Branded title" means a title certificate that is labeled:
- 146 (a) rebuilt and restored to operation;
- 147 (b) flooded and restored to operation; or
- 148 (c) not restored to operation.
- 149 (11) "Camper" means a structure designed, used, and maintained primarily to be mounted  
150 on or affixed to a motor vehicle that contains a floor and is designed to provide a mobile  
151 dwelling, sleeping place, commercial space, or facilities for human habitation or for  
152 camping.
- 153 (12) "Certificate of title" means a document issued by a jurisdiction to establish a record of  
154 ownership between an identified owner and the described vehicle, vessel, or outboard  
155 motor.
- 156 (13) "Certified scale weigh ticket" means a weigh ticket that has been issued by a  
157 weighmaster.
- 158 (14) "Commercial vehicle" means a motor vehicle, trailer, or semitrailer used or maintained  
159 for the transportation of persons or property that operates:
- 160 (a) as a carrier for hire, compensation, or profit; or
- 161 (b) as a carrier to transport the vehicle owner's goods or property in furtherance of the  
162 owner's commercial enterprise.
- 163 (15) "Commission" means the State Tax Commission.
- 164 (16) "Consumer price index" means the same as that term is defined in Section 59-13-102.

- 165 (17) "Dealer" means a person engaged or licensed to engage in the business of buying,  
166 selling, or exchanging new or used vehicles, vessels, or outboard motors either outright  
167 or on conditional sale, bailment, lease, chattel mortgage, or otherwise or who has an  
168 established place of business for the sale, lease, trade, or display of vehicles, vessels, or  
169 outboard motors.
- 170 (18) "Diesel fuel" means the same as that term is defined in Section 59-13-102.
- 171 (19) "Division" means the Motor Vehicle Division of the commission, created in Section  
172 41-1a-106.
- 173 (20) "Dynamic driving task" means the same as that term is defined in Section 41-26-102.1.
- 174 (21) "Electric motor vehicle" means a motor vehicle that is powered solely by an electric  
175 motor drawing current from a rechargeable energy storage system.
- 176 (22) "Essential parts" means the integral and body parts of a vehicle of a type required to be  
177 registered in this state, the removal, alteration, or substitution of which would tend to  
178 conceal the identity of the vehicle or substantially alter the vehicle's appearance, model,  
179 type, or mode of operation.
- 180 (23) "Farm tractor" means a motor vehicle designed and used primarily as a farm  
181 implement for drawing plows, mowing machines, and other implements of husbandry.
- 182 (24)(a) "Farm truck" means a truck used by the owner or operator of a farm solely for  
183 the owner's or operator's own use in the transportation of:
- 184 (i) farm products, including livestock and its products, poultry and its products,  
185 floricultural and horticultural products;
- 186 (ii) farm supplies, including tile, fence, and any other thing or commodity used in  
187 agricultural, floricultural, horticultural, livestock, and poultry production; and
- 188 (iii) livestock, poultry, and other animals and things used for breeding, feeding, or  
189 other purposes connected with the operation of a farm.
- 190 (b) "Farm truck" does not include the operation of trucks by commercial processors of  
191 agricultural products.
- 192 (25) "Fleet" means:
- 193 (a) one or more commercial vehicles; or
- 194 (b) for purposes of Section 41-1a-215, one or more personal vehicles.
- 195 (26) "Foreign vehicle" means a vehicle of a type required to be registered, brought into this  
196 state from another state, territory, or country other than in the ordinary course of  
197 business by or through a manufacturer or dealer, and not registered in this state.
- 198 (27) "Gross laden weight" means the actual weight of a vehicle or combination of vehicles,

- 199 equipped for operation, to which shall be added the maximum load to be carried.
- 200 (28) "Highway" or "street" means the entire width between property lines of every way or  
201 place of whatever nature when any part of it is open to the public, as a matter of right,  
202 for purposes of vehicular traffic.
- 203 (29) "Hybrid electric motor vehicle" means a motor vehicle that draws propulsion energy  
204 from onboard sources of stored energy that are both:
- 205 (a) an internal combustion engine or heat engine using consumable fuel; and  
206 (b) a rechargeable energy storage system where energy for the storage system comes  
207 solely from sources onboard the vehicle.
- 208 (30)(a) "Identification number" means the identifying number assigned by the  
209 manufacturer or by the division for the purpose of identifying the vehicle, vessel, or  
210 outboard motor.
- 211 (b) "Identification number" includes a vehicle identification number, state assigned  
212 identification number, hull identification number, and motor serial number.
- 213 (31) "Implement of husbandry" means a vehicle designed or adapted and used exclusively  
214 for an agricultural operation and only incidentally operated or moved upon the highways.
- 215 (32)(a) "In-state miles" means the total number of miles operated in this state during the  
216 preceding year by fleet power units.
- 217 (b) If a fleet is composed entirely of trailers or semitrailers, "in-state miles" means the  
218 total number of miles that those vehicles were towed on Utah highways during the  
219 preceding year.
- 220 (33) "Interstate vehicle" means a commercial vehicle operated in more than one state,  
221 province, territory, or possession of the United States or foreign country.
- 222 (34) "Jurisdiction" means a state, district, province, political subdivision, territory, or  
223 possession of the United States or any foreign country.
- 224 (35) "Lienholder" means a person with a security interest in particular property.
- 225 (36) "Manufactured home" means a transportable factory built housing unit constructed on  
226 or after June 15, 1976, according to the Federal Home Construction and Safety  
227 Standards Act of 1974 (HUD Code), in one or more sections, which, in the traveling  
228 mode, is eight body feet or more in width or 40 body feet or more in length, or when  
229 erected on site, is 400 or more square feet, and which is built on a permanent chassis and  
230 designed to be used as a dwelling with or without a permanent foundation when  
231 connected to the required utilities, and includes the plumbing, heating, air-conditioning,  
232 and electrical systems.

- 233 (37) "Manufacturer" means a person engaged in the business of constructing,  
234 manufacturing, assembling, producing, or importing new or unused vehicles, vessels, or  
235 outboard motors for the purpose of sale or trade.
- 236 (38) "Military vehicle" means a vehicle of any size or weight that was manufactured for use  
237 by armed forces and that is maintained in a condition that represents the vehicle's  
238 military design and markings regardless of current ownership or use.
- 239 (39) "Mobile home" means a transportable factory built housing unit built prior to June 15,  
240 1976, in accordance with a state mobile home code which existed prior to the Federal  
241 Manufactured Housing and Safety Standards Act (HUD Code).
- 242 (40) "Motor fuel" means the same as that term is defined in Section 59-13-102.
- 243 (41)(a) "Motor vehicle" means a self-propelled vehicle intended primarily for use and  
244 operation on the highways.
- 245 (b) "Motor vehicle" includes a roadable aircraft and a street-legal all-terrain vehicle.
- 246 (c) "Motor vehicle" does not include:
- 247 (i) an off-highway vehicle; or
- 248 (ii) a motor assisted scooter as defined in Section 41-6a-102.
- 249 (42) "Motorboat" means the same as that term is defined in Section ~~[73-18-2]~~ 73-18c-102.
- 250 (43) "Motorcycle" means:
- 251 (a) a motor vehicle having a saddle for the use of the rider and designed to travel on not  
252 more than three wheels in contact with the ground; or
- 253 (b) an auticycle.
- 254 (44) "Natural gas" means a fuel of which the primary constituent is methane.
- 255 (45)(a) "Nonresident" means a person who is not a resident of this state as defined by  
256 Section 41-1a-202, and who does not engage in intrastate business within this state  
257 and does not operate in that business any motor vehicle, trailer, or semitrailer within  
258 this state.
- 259 (b) A person who engages in intrastate business within this state and operates in that  
260 business any motor vehicle, trailer, or semitrailer in this state or who, even though  
261 engaging in interstate commerce, maintains a vehicle in this state as the home station  
262 of that vehicle is considered a resident of this state, insofar as that vehicle is  
263 concerned in administering this chapter.
- 264 (46) "Odometer" means a device for measuring and recording the actual distance a vehicle  
265 travels while in operation, but does not include any auxiliary odometer designed to be  
266 periodically reset.



- 267 (47) "Off-highway implement of husbandry" means the same as that term is defined in  
268 Section 41-22-2.
- 269 (48) "Off-highway vehicle" means the same as that term is defined in Section 41-22-2.
- 270 (49)(a) "Operate" means:
- 271 (i) to navigate a vessel; or
- 272 (ii) collectively, the activities performed in order to perform the entire dynamic  
273 driving task for a given motor vehicle by:
- 274 (A) a human driver as defined in Section 41-26-102.1; or
- 275 (B) an engaged automated driving system.
- 276 (b) "Operate" includes testing of an automated driving system.
- 277 (50) "Original issue license plate" means a license plate that is of a format and type issued  
278 by the state in the same year as the model year of a vehicle that is a model year 1973 or  
279 older.
- 280 (51) "Outboard motor" means a detachable self-contained propulsion unit, excluding fuel  
281 supply, used to propel a vessel.
- 282 (52)(a) "Owner" means a person, other than a lienholder, holding title to a vehicle,  
283 vessel, or outboard motor whether or not the vehicle, vessel, or outboard motor is  
284 subject to a security interest.
- 285 (b) If a vehicle is the subject of an agreement for the conditional sale or installment sale  
286 or mortgage of the vehicle with the right of purchase upon performance of the  
287 conditions stated in the agreement and with an immediate right of possession vested  
288 in the conditional vendee or mortgagor, or if the vehicle is the subject of a security  
289 agreement, then the conditional vendee, mortgagor, or debtor is considered the owner  
290 for the purposes of this chapter.
- 291 (c) If a vehicle is the subject of an agreement to lease, the lessor is considered the owner  
292 until the lessee exercises the lessee's option to purchase the vehicle.
- 293 (53) "Park model recreational vehicle" means a unit that:
- 294 (a) is designed and marketed as temporary living quarters for recreational, camping,  
295 travel, or seasonal use;
- 296 (b) is not permanently affixed to real property for use as a permanent dwelling;
- 297 (c) requires a special highway movement permit for transit; and
- 298 (d) is built on a single chassis mounted on wheels with a gross trailer area not exceeding  
299 400 square feet in the setup mode.
- 300 (54) "Personal vehicle" means a vehicle that is not a commercial vehicle.

- 301 ~~[(54)]~~ (55) "Personalized license plate" means a license plate that has displayed on it a  
302 combination of letters, numbers, or both as requested by the owner of the vehicle and  
303 assigned to the vehicle by the division.
- 304 ~~[(55)]~~ (56)(a) "Pickup truck" means a two-axle motor vehicle with motive power  
305 manufactured, remanufactured, or materially altered to provide an open cargo area.  
306 (b) "Pickup truck" includes a motor vehicle with the open cargo area covered with a  
307 camper, camper shell, tarp, removable top, or similar structure.
- 308 ~~[(56)]~~ (57) "Plug-in hybrid electric motor vehicle" means a hybrid electric motor vehicle  
309 that has the capability to charge the battery or batteries used for vehicle propulsion from  
310 an off-vehicle electric source, such that the off-vehicle source cannot be connected to the  
311 vehicle while the vehicle is in motion.
- 312 ~~[(57)]~~ (58) "Pneumatic tire" means a tire in which compressed air is designed to support the  
313 load.
- 314 ~~[(58)]~~ (59) "Preceding year" means a period of 12 consecutive months fixed by the division  
315 that is within 16 months immediately preceding the commencement of the registration or  
316 license year in which proportional registration is sought. The division in fixing the  
317 period shall conform it to the terms, conditions, and requirements of any applicable  
318 agreement or arrangement for the proportional registration of vehicles.
- 319 ~~[(59)]~~ (60) "Public garage" means a building or other place where vehicles or vessels are  
320 kept and stored and where a charge is made for the storage and keeping of vehicles and  
321 vessels.
- 322 ~~[(60)]~~ (61) "Receipt of surrender of ownership documents" means the receipt of surrender of  
323 ownership documents described in Section 41-1a-503.
- 324 ~~[(61)]~~ (62) "Reconstructed vehicle" means a vehicle of a type required to be registered in  
325 this state that is materially altered from its original construction by the removal,  
326 addition, or substitution of essential parts, new or used.
- 327 ~~[(62)]~~ (63) "Recreational vehicle" means the same as that term is defined in Section  
328 13-14-102.
- 329 ~~[(63)]~~ (64) "Registration" means a document issued by a jurisdiction that allows operation of  
330 a vehicle or vessel on the highways or waters of this state for the time period for which  
331 the registration is valid and that is evidence of compliance with the registration  
332 requirements of the jurisdiction.
- 333 ~~[(64)]~~ (65) "Registration decal" means the decal issued by the division that is evidence of  
334 compliance with the division's registration requirements.

- 335 [(65)] (66)(a) "Registration year" means a 12 consecutive month period commencing  
336 with the completion of the applicable registration criteria.
- 337 (b) For administration of a multistate agreement for proportional registration the division  
338 may prescribe a different 12-month period.
- 339 [(66)] (67) "Repair or replacement" means the restoration of vehicles, vessels, or outboard  
340 motors to a sound working condition by substituting any inoperative part of the vehicle,  
341 vessel, or outboard motor, or by correcting the inoperative part.
- 342 [(67)] (68) "Replica vehicle" means:
- 343 (a) a street rod that meets the requirements under Subsection 41-21-1(3)(a)(i)(B); or  
344 (b) a custom vehicle that meets the requirements under Subsection 41-6a-1507  
345 (1)(a)(i)(B).
- 346 [(68)] (69) "Restored-modified vehicle" means a motor vehicle that has been restored and  
347 modified with modern parts and technology, including emission control technology and  
348 an on-board diagnostic system.
- 349 [(69)] (70) "Road tractor" means a motor vehicle designed and used for drawing other  
350 vehicles and constructed so it does not carry any load either independently or any part of  
351 the weight of a vehicle or load that is drawn.
- 352 [(70)] (71) "Roadable aircraft" means the same as that term is defined in Section 72-10-102.
- 353 [(71)] (72) "Sailboat" means the same as that term is defined in Section 73-18-2.
- 354 [(72)] (73) "Security interest" means an interest that is reserved or created by a security  
355 agreement to secure the payment or performance of an obligation and that is valid  
356 against third parties.
- 357 ~~[(73)] "Semitrailer" means a vehicle without motive power designed for carrying persons or  
358 property and for being drawn by a motor vehicle and constructed so that some part of its  
359 weight and its load rests or is carried by another vehicle.]~~
- 360 (74) "Semitrailer" means the same as the term "trailer."
- 361 [(74)] (75) "Special group license plate" means a type of license plate designed for a  
362 particular group of people or a license plate authorized and issued by the division in  
363 accordance with Section 41-1a-418 or Part 16, Sponsored Special Group License Plates.
- 364 [(75)] (76)(a) "Special interest vehicle" means a vehicle used for general transportation  
365 purposes and that is:
- 366 (i) 20 years or older from the current year; or  
367 (ii) a make or model of motor vehicle recognized by the division director as having  
368 unique interest or historic value.

- 369 (b) In making a determination under Subsection [~~(75)~~(a)] (76)(a), the division director  
370 shall give special consideration to:
- 371 (i) a make of motor vehicle that is no longer manufactured;  
372 (ii) a make or model of motor vehicle produced in limited or token quantities;  
373 (iii) a make or model of motor vehicle produced as an experimental vehicle or one  
374 designed exclusively for educational purposes or museum display; or  
375 (iv) a motor vehicle of any age or make that has not been substantially altered or  
376 modified from original specifications of the manufacturer and because of its  
377 significance is being collected, preserved, restored, maintained, or operated by a  
378 collector or hobbyist as a leisure pursuit.
- 379 [~~(76)~~] (77)(a) "Special mobile equipment" means a vehicle:
- 380 (i) not designed or used primarily for the transportation of persons or property;  
381 (ii) not designed to operate in traffic; and  
382 (iii) only incidentally operated or moved over the highways.
- 383 (b) "Special mobile equipment" includes:
- 384 (i) farm tractors;  
385 (ii) off-road motorized construction or maintenance equipment including backhoes,  
386 bulldozers, compactors, graders, loaders, road rollers, tractors, and trenchers; and  
387 (iii) ditch-digging apparatus.
- 388 (c) "Special mobile equipment" does not include a commercial vehicle as defined under  
389 Section 72-9-102.
- 390 [~~(77)~~] (78) "Specially constructed vehicle" means a vehicle of a type required to be  
391 registered in this state, not originally constructed under a distinctive name, make, model,  
392 or type by a generally recognized manufacturer of vehicles, and not materially altered  
393 from its original construction.
- 394 [~~(78)~~] (79)(a) "Standard license plate" means a license plate for general issue described  
395 in Subsection 41-1a-402(1).
- 396 (b) "Standard license plate" includes a license plate for general issue that the division  
397 issues before January 1, 2024.
- 398 [~~(79)~~] (80) "State impound yard" means a yard for the storage of a vehicle, vessel, or  
399 outboard motor that meets the requirements of rules made by the commission as  
400 described in Subsection 41-1a-1101(7).
- 401 [~~(80)~~] (81) "Street-legal all-terrain vehicle" or "street-legal ATV" means the same as that  
402 term is defined in Section 41-6a-102.

- 403 [(81)] (82) "Symbol decal" means the decal that is designed to represent a special group and  
404 displayed on a special group license plate.
- 405 [(82)] (83) "Title" means the right to or ownership of a vehicle, vessel, or outboard motor.
- 406 [(83)] (84)(a) "Total fleet miles" means the total number of miles operated in all  
407 jurisdictions during the preceding year by power units.
- 408 (b) If fleets are composed entirely of trailers or semitrailers, "total fleet miles" means the  
409 number of miles that those vehicles were towed on the highways of all jurisdictions  
410 during the preceding year.
- 411 [(84)] (85) "Tow truck motor carrier" means the same as that term is defined in Section  
412 72-9-102.
- 413 [(85)] (86) "Tow truck operator" means the same as that term is defined in Section 72-9-102.
- 414 ~~[(86) "Trailer" means a vehicle without motive power designed for carrying persons or  
415 property and for being drawn by a motor vehicle and constructed so that no part of its  
416 weight rests upon the towing vehicle.]~~
- 417 (87) "Trailer" means a vehicle:
- 418 (a) without motive power; and
- 419 (b) designed for:
- 420 (i) carrying persons or property; and
- 421 (ii) being drawn by a motor vehicle.
- 422 [(87)] (88) "Transferee" means a person to whom the ownership of property is conveyed by  
423 sale, gift, or any other means except by the creation of a security interest.
- 424 [(88)] (89) "Transferor" means a person who transfers the person's ownership in property by  
425 sale, gift, or any other means except by creation of a security interest.
- 426 [(89)] (90) "Travel trailer," "camping trailer," or "fifth wheel trailer" means a portable  
427 vehicle without motive power, designed as a temporary dwelling for travel, recreational,  
428 or vacation use that does not require a special highway movement permit when drawn  
429 by a self-propelled motor vehicle.
- 430 [(90)] (91) "Truck tractor" means a motor vehicle designed and used primarily for drawing  
431 other vehicles and not constructed to carry a load other than a part of the weight of the  
432 vehicle and load that is drawn.
- 433 [(91)] (92) "Vehicle" includes a motor vehicle, trailer, semitrailer, off-highway vehicle,  
434 camper, park model recreational vehicle, manufactured home, and mobile home.
- 435 [(92)] (93) "Vessel" means the same as that term is defined in Section 73-18-2.
- 436 [(93)] (94) "Vintage vehicle" means the same as that term is defined in Section 41-21-1.

437 [(94)] (95) "Waters of this state" means the same as that term is defined in Section 73-18-2.  
 438 [(95)] (96) "Weighmaster" means a person, association of persons, or corporation permitted  
 439 to weigh vehicles under this chapter.

440 Section 4. Section **41-1a-110** is amended to read:

441 **41-1a-110 (Effective 05/07/25). Authority of division to suspend or revoke**  
 442 **registration, certificate of title, license plate, or permit.**

443 (1) Except as provided in Subsections (3) and (4), the division may suspend or revoke a  
 444 registration, certificate of title, license plate, or permit if:

- 445 (a) the division is satisfied that a registration, certificate of title, license plate, or permit  
 446 was fraudulently procured or erroneously issued;
- 447 (b) the division determines that a registered vehicle is mechanically unfit or unsafe to be  
 448 operated or moved upon the highways;
- 449 (c) a registered vehicle has been dismantled;
- 450 (d) the division determines that the required fee has not been paid and the fee is not paid  
 451 upon reasonable notice and demand;
- 452 (e) a registration decal, license plate, or permit is knowingly displayed upon a vehicle  
 453 other than the one for which issued;
- 454 (f) the division determines that the owner has committed any offense under this chapter  
 455 involving the registration, certificate of title, registration card, license plate,  
 456 registration decal, or permit; or
- 457 (g) the division receives notification by the Department of Transportation that the owner  
 458 has committed any offence under Title 72, Chapter 9, Motor Carrier Safety Act.

459 (2)(a) The division shall revoke the registration of a vehicle if the division receives  
 460 notification by the:

- 461 (i) Department of Public Safety that a person:
  - 462 (A) has been convicted of operating a registered motor vehicle in violation of  
 463 Section 41-12a-301 or 41-12a-303.2; or
  - 464 (B) is under an administrative action taken by the Department of Public Safety for  
 465 operating a registered motor vehicle in violation of Section 41-12a-301; ~~or~~
- 466 (ii) designated agent that the owner of a motor vehicle:
  - 467 (A) has failed to provide satisfactory proof of owner's or operator's security to the  
 468 designated agent after the second notice provided under Section 41-12a-804; or
  - 469 (B) provided a false or fraudulent statement to the designated agent ~~[-]~~ ; or
- 470 (iii) designated agent that, during the months of April through October, the owner of

- 471 a motorboat:
- 472 (A) has failed to provide satisfactory proof of owner's or operator's security to the
- 473 designated agent after the second notice provided under Section 41-12a-804; or
- 474 (B) provided a false or fraudulent statement to the designated agent.
- 475 (b) The division shall notify the Driver License Division if the division revokes the
- 476 registration of a vehicle under Subsection (2)(a)(ii)(A).
- 477 (3) The division may not suspend or revoke the registration of a vessel or outboard motor
- 478 unless authorized under Section 73-18-7.3.
- 479 (4) The division may not suspend or revoke the registration of an off-highway vehicle
- 480 unless authorized under Section 41-22-17.
- 481 (5) The division shall charge a registration reinstatement fee under Section 41-1a-1220, if
- 482 the registration is revoked under Subsection (2).
- 483 (6) Except as provided in Subsections (3), (4), and (7), the division may suspend or revoke
- 484 a registered vehicle's registration if the division is notified by a local health department,
- 485 as defined in Section 26A-1-102, that the registered vehicle is unable to meet state or
- 486 local air emissions standards or violates Subsection 41-6a-1626(2)(a) or (b).
- 487 (7) The division may not suspend or revoke a registered vehicle's registration under
- 488 Subsection (6) if the registered vehicle has a manufacturer's gross vehicle weight rating
- 489 that is greater than 26,000 pounds.

490 Section 5. Section **41-1a-215** is amended to read:

491 **41-1a-215 (Effective 01/01/26). Staggered registration dates -- Exceptions.**

- 492 (1)(a) Except as provided under Subsections (2) and (3), every vehicle registration,
- 493 every registration card, and every registration plate issued under this chapter for the
- 494 first registration of the vehicle in this state, continues in effect for a period of 12
- 495 months beginning with the first day of the calendar month of registration and does
- 496 not expire until the last day of the same month in the following year.
- 497 (b) If the last day of the registration period falls on a day in which the appropriate state
- 498 or county offices are not open for business, the registration of the vehicle is extended
- 499 to midnight of the next business day.
- 500 (2) The provisions of Subsection (1) do not apply to the following:
- 501 (a) registration issued to government vehicles under Section 41-1a-221;
- 502 (b) registration issued to apportioned vehicles under Section 41-1a-301;
- 503 (c) multiyear registration issued under Section 41-1a-222;
- 504 (d) lifetime trailer registration issued under Section 41-1a-1206;

- 505 (e) partial year registration issued under Section 41-1a-1207;
- 506 (f) a six-month registration issued under Section 41-1a-215.5; or
- 507 (g) plates issued to a dealer, dismantler, manufacturer, remanufacturer, and transporter
- 508 under [Title 41, Chapter 3, Part 5, Special Dealer License Plates] Chapter 3, Part 5,
- 509 Special Dealer License Plates.
- 510 (3)(a) Upon application of the owner or lessee of a fleet of commercial vehicles not
- 511 apportioned under Section 41-1a-301 and required to be registered in this state, the
- 512 State Tax Commission may permit the vehicles to be registered for a registration
- 513 period commencing on the first day of March, June, September, or December of any
- 514 year and expiring on the last day of March, June, September, or December in the
- 515 following year.
- 516 (b) Upon application of the owner or lessee of a fleet of commercial vehicles
- 517 apportioned under Section 41-1a-301 and required to be registered in this state, the
- 518 State Tax Commission may permit the vehicles to be registered for a registration
- 519 period commencing on the first day of January, April, July, or October of any year
- 520 and expiring on the last day of March, June, September, or December in the
- 521 following year.
- 522 (c) Upon application of the owner or lessee of a fleet of personal vehicles required to be
- 523 registered in this state, the State Tax Commission may permit the vehicles to be
- 524 registered for a registration period commencing on the first day of January, April,
- 525 July, or October of any year and expiring on the last day of January, April, July, or
- 526 October of the following year.
- 527 (4) When the expiration of a registration plate is extended by affixing a registration decal to
- 528 it, the expiration of the decal governs the expiration date of the plate.
- 529 Section 6. Section **41-1a-1206** is amended to read:
- 530 **41-1a-1206 (Effective 05/07/25). Registration fees -- Fees by gross laden weight.**
- 531 (1) Except as provided in Subsections (2) and (3), at the time application is made for
- 532 registration or renewal of registration of a vehicle or combination of vehicles under this
- 533 chapter, a registration fee shall be paid to the division as follows:
- 534 (a) \$46.00 for each motorcycle;
- 535 (b) \$44 for each motor vehicle of 12,000 pounds or less gross laden weight, excluding
- 536 motorcycles;
- 537 (c) unless the semitrailer or trailer is exempt from registration under Section 41-1a-202
- 538 or is registered under Section 41-1a-301:



- 539 (i) \$31 for each trailer or semitrailer over 750 pounds gross unladen weight; or  
540 (ii) \$28.50 for each commercial trailer or commercial semitrailer of 750 pounds or  
541 less gross unladen weight;
- 542 (d)(i) \$53 for each farm truck over 12,000 pounds, but not exceeding 14,000 pounds  
543 gross laden weight; plus  
544 (ii) \$9 for each 2,000 pounds over 14,000 pounds gross laden weight;
- 545 (e)(i) \$69.50 for each motor vehicle or combination of motor vehicles, excluding  
546 farm trucks, over 12,000 pounds, but not exceeding 14,000 pounds gross laden  
547 weight; plus  
548 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;
- 549 (f)(i) \$69.50 for each park model recreational vehicle over 12,000 pounds, but not  
550 exceeding 14,000 pounds gross laden weight; plus  
551 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;
- 552 (g) \$45 for each vintage vehicle that has a model year of 1983 or newer;
- 553 (h) in addition to the fee described in Subsection (1)(b):  
554 (i) an amount equal to the road usage charge cap described in Section 72-1-213.1 for:  
555 (A) each electric motor vehicle; and  
556 (B) Each motor vehicle not described in this Subsection (1)(h) that is fueled  
557 exclusively by a source other than motor fuel, diesel fuel, natural gas, or  
558 propane;
- 559 (ii) \$21.75 for each hybrid electric motor vehicle; and  
560 (iii) \$56.50 for each plug-in hybrid electric motor vehicle;
- 561 (i) in addition to the fee described in Subsection (1)(g), for a vintage vehicle that has a  
562 model year of 1983 or newer, 50 cents; and  
563 (j) \$28.50 for each roadable aircraft.
- 564 (2)(a) At the time application is made for registration or renewal of registration of a  
565 vehicle under this chapter for a six-month registration period under Section  
566 41-1a-215.5, a registration fee shall be paid to the division as follows:  
567 (i) \$34.50 for each motorcycle; and  
568 (ii) \$33.50 for each motor vehicle of 12,000 pounds or less gross laden weight,  
569 excluding motorcycles.
- 570 (b) In addition to the fee described in Subsection (2)(a)(ii), for registration or renewal of  
571 registration of a vehicle under this chapter for a six-month registration period under  
572 Section 41-1a-215.5 a registration fee shall be paid to the division as follows:

- 573 (i) an amount equal to the road usage charge cap described in Section 72-1-213.1 for:  
574 (A) each electric motor vehicle; and  
575 (B) each motor vehicle not described in this Subsection (2)(b) that is fueled  
576 exclusively by a source other than motor fuel, diesel fuel, natural gas, or  
577 propane;
- 578 (ii) \$16.50 for each hybrid electric motor vehicle; and  
579 (iii) \$43.50 for each plug-in hybrid electric motor vehicle.
- 580 (3)(a) Beginning on January 1, 2024, at the time of registration:
- 581 (i) in addition to the amounts described in Subsections (1)(a), (1)(b), (1)(c)(i),  
582 (1)(c)(ii), (1)(d)(i), (1)(e)(i), (1)(f)(i), (1)(g), (1)(h), (4)(a), and (7), the individual  
583 shall also pay an additional \$7 as part of the registration fee; and  
584 (ii) in addition to the amounts described in Subsection (2)(a), the individual shall also  
585 pay an additional \$5 as part of the registration fee.
- 586 (b)(i) Beginning on January 1, 2019, the commission shall, on January 1, annually  
587 adjust the registration fees described in Subsections (1)(a), (1)(b), (1)(c)(i),  
588 (1)(c)(ii), (1)(d)(i), (1)(e)(i), (1)(f)(i), (1)(g), (1)(j), (2)(a), (3)(a), (4)(a), and (7),  
589 by taking the registration fee rate for the previous year and adding an amount  
590 equal to the greater of:
- 591 (A) an amount calculated by multiplying the registration fee of the previous year  
592 by the actual percentage change during the previous fiscal year in the  
593 Consumer Price Index; and  
594 (B) 0.
- 595 (ii) Beginning on January 1, 2024, the commission shall, on January 1, annually  
596 adjust the registration fees described in Subsections (1)(h)(ii) and (iii) and  
597 (2)(b)(ii) and (iii) by taking the registration fee rate for the previous year and  
598 adding an amount equal to the greater of:
- 599 (A) an amount calculated by multiplying the registration fee of the previous year  
600 by the actual percentage change during the previous fiscal year in the  
601 Consumer Price Index; and  
602 (B) 0.
- 603 (c) The amounts calculated as described in Subsection (3)(b) shall be rounded up to the  
604 nearest 25 cents.
- 605 (4)(a) The initial registration fee for a vintage vehicle that has a model year of 1982 or  
606 older is \$40.

- 607 (b) A vintage vehicle that has a model year of 1982 or older is exempt from the renewal  
608 of registration fees under Subsection (1).
- 609 (c) A vehicle with a Purple Heart special group license plate issued on or before  
610 December 31, 2023, or issued in accordance with Part 16, Sponsored Special Group  
611 License Plates, is exempt from the registration fees under Subsection (1).
- 612 (d) A camper is exempt from the registration fees under Subsection (1).
- 613 (5) If a motor vehicle is operated in combination with a semitrailer or trailer, each motor  
614 vehicle shall register for the total gross laden weight of all units of the combination if the  
615 total gross laden weight of the combination exceeds 12,000 pounds.
- 616 (6)(a) Registration fee categories under this section are based on the gross laden weight  
617 declared in the licensee's application for registration.
- 618 (b) Gross laden weight shall be computed in units of 2,000 pounds. A fractional part of  
619 2,000 pounds is a full unit.
- 620 (7) The owner of a commercial trailer or commercial semitrailer may, as an alternative to  
621 registering under Subsection (1)(c), apply for and obtain a special registration and  
622 license plate for a fee of \$130.
- 623 (8) Except as provided in Section 41-6a-1642, a truck may not be registered as a farm truck  
624 unless:
- 625 (a) the truck meets the definition of a farm truck under Section 41-1a-102; and  
626 (b)(i) the truck has a gross vehicle weight rating of more than 12,000 pounds; or  
627 (ii) the truck has a gross vehicle weight rating of 12,000 pounds or less and the owner  
628 submits to the division a certificate of emissions inspection or a waiver in  
629 compliance with Section 41-6a-1642.
- 630 (9) A violation of Subsection (8) is an infraction that shall be punished by a fine of not less  
631 than \$200.
- 632 (10) A motor vehicle registered as a street-legal all-terrain vehicle is:
- 633 (a) subject to the registration and other fees described in Section 41-22-9; and  
634 (b) not required to pay an additional registration fee under this section.
- 635 ~~(10)~~ (11) Trucks used exclusively to pump cement, bore wells, or perform crane services  
636 with a crane lift capacity of five or more tons, are exempt from 50% of the amount of  
637 the fees required for those vehicles under this section.
- 638 Section 7. Section **41-6a-102** is amended to read:  
639 **41-6a-102 (Effective 05/07/25). Definitions.**  
640 As used in this chapter:

- 641 (1) "Alley" means a street or highway intended to provide access to the rear or side of lots  
642 or buildings in urban districts and not intended for through vehicular traffic.
- 643 (2) "All-terrain type I vehicle" means the same as that term is defined in Section 41-22-2.
- 644 (3) "All-terrain type II vehicle" means the same as that term is defined in Section 41-22-2.
- 645 (4) "All-terrain type III vehicle" means the same as that term is defined in Section 41-22-2.
- 646 (5) "Authorized emergency vehicle" includes:
- 647 (a) a fire department vehicle;
- 648 (b) a police vehicle;
- 649 (c) an ambulance; and
- 650 (d) other publicly or privately owned vehicles as designated by the commissioner of the  
651 Department of Public Safety.
- 652 (6) "Autocycle" means the same as that term is defined in Section 53-3-102.
- 653 (7)(a) "Bicycle" means a wheeled vehicle:
- 654 (i) propelled by human power by feet or hands acting upon pedals or cranks;
- 655 (ii) with a seat or saddle designed for the use of the operator;
- 656 (iii) designed to be operated on the ground; and
- 657 (iv) whose wheels are not less than 14 inches in diameter.
- 658 (b) "Bicycle" includes an electric assisted bicycle.
- 659 (c) "Bicycle" does not include scooters and similar devices.
- 660 (8)(a) "Bus" means a motor vehicle:
- 661 (i) designed for carrying more than 15 passengers and used for the transportation of  
662 persons; or
- 663 (ii) designed and used for the transportation of persons for compensation.
- 664 (b) "Bus" does not include a taxicab.
- 665 (9)(a) "Circular intersection" means an intersection that has an island, generally circular  
666 in design, located in the center of the intersection where traffic passes to the right of  
667 the island.
- 668 (b) "Circular intersection" includes:
- 669 (i) roundabouts;
- 670 (ii) rotaries; and
- 671 (iii) traffic circles.
- 672 (10) "Class 1 electric assisted bicycle" means an electric assisted bicycle equipped with a  
673 motor or electronics that:
- 674 (a) provides assistance only when the rider is pedaling; and

- 675 (b) ceases to provide assistance when the bicycle reaches the speed of 20 miles per hour.
- 676 (11) "Class 2 electric assisted bicycle" means an electric assisted bicycle equipped with a  
677 motor or electronics that:
- 678 (a) may be used exclusively to propel the bicycle; and
- 679 (b) is not capable of providing assistance when the bicycle reaches the speed of 20 miles  
680 per hour.
- 681 (12) "Class 3 electric assisted bicycle" means an electric assisted bicycle equipped with a  
682 motor or electronics that:
- 683 (a) provides assistance only when the rider is pedaling;
- 684 (b) ceases to provide assistance when the bicycle reaches the speed of 28 miles per hour;  
685 and
- 686 (c) is equipped with a speedometer.
- 687 (13) "Commissioner" means the commissioner of the Department of Public Safety.
- 688 (14) "Controlled-access highway" means a highway, street, or roadway:
- 689 (a) designed primarily for through traffic; and
- 690 (b) to or from which owners or occupants of abutting lands and other persons have no  
691 legal right of access, except at points as determined by the highway authority having  
692 jurisdiction over the highway, street, or roadway.
- 693 (15) "Crosswalk" means:
- 694 (a) that part of a roadway at an intersection included within the connections of the lateral  
695 lines of the sidewalks on opposite sides of the highway measured from:
- 696 (i)(A) the curbs; or
- 697 (B) in the absence of curbs, from the edges of the traversable roadway; and
- 698 (ii) in the absence of a sidewalk on one side of the roadway, that part of a roadway  
699 included within the extension of the lateral lines of the existing sidewalk at right  
700 angles to the centerline; or
- 701 (b) any portion of a roadway at an intersection or elsewhere distinctly indicated for  
702 pedestrian crossing by lines or other markings on the surface.
- 703 (16) "Department" means the Department of Public Safety.
- 704 (17) "Direct supervision" means oversight at a distance within which:
- 705 (a) visual contact is maintained; and
- 706 (b) advice and assistance can be given and received.
- 707 (18) "Divided highway" means a highway divided into two or more roadways by:
- 708 (a) an unpaved intervening space;

- 709 (b) a physical barrier; or
- 710 (c) a clearly indicated dividing section constructed to impede vehicular traffic.
- 711 (19) "Echelon formation" means the operation of two or more snowplows arranged
- 712 side-by-side or diagonally across multiple lanes of traffic of a multi-lane highway to
- 713 clear snow from two or more lanes at once.
- 714 (20)(a) "Electric assisted bicycle" means a bicycle with an electric motor that:
- 715 (i) has a power output of not more than 750 watts;
- 716 (ii) has fully operable pedals;
- 717 (iii) has permanently affixed cranks that were installed at the time of the original
- 718 manufacture;
- 719 (iv) is fully operable as a bicycle without the use of the electric motor; and
- 720 (v) is one of the following:
- 721 (A) a class 1 electric assisted bicycle;
- 722 (B) a class 2 electric assisted bicycle;
- 723 (C) a class 3 electric assisted bicycle; or
- 724 (D) a programmable electric assisted bicycle.
- 725 (b) "Electric assisted bicycle" does not include:
- 726 (i) a moped;
- 727 (ii) a motor assisted scooter;
- 728 (iii) a motorcycle;
- 729 (iv) a motor-driven cycle; or
- 730 (v) any other vehicle with less than four wheels that is designed, manufactured,
- 731 intended, or advertised by the seller to have any of the following capabilities or
- 732 features, or that is modifiable or is modified to have any of the following
- 733 capabilities or features:
- 734 (A) has the ability to attain the speed of 20 miles per hour or greater on motor
- 735 power alone;
- 736 (B) is equipped with a continuous rated motor power of 750 watts or greater;
- 737 (C) is equipped with foot pegs for the operator at the time of manufacture, or
- 738 requires installation of a pedal kit to have operable pedals; or
- 739 (D) if equipped with multiple operating modes and a throttle, has one or more
- 740 modes that exceed 20 miles per hour on motor power alone.
- 741 (21)(a) "Electric personal assistive mobility device" means a self-balancing device with:
- 742 (i) two nontandem wheels in contact with the ground;

- 743 (ii) a system capable of steering and stopping the unit under typical operating  
744 conditions;
- 745 (iii) an electric propulsion system with average power of one horsepower or 750  
746 watts;
- 747 (iv) a maximum speed capacity on a paved, level surface of 12.5 miles per hour; and  
748 (v) a deck design for a person to stand while operating the device.
- 749 (b) "Electric personal assistive mobility device" does not include a wheelchair.
- 750 (22) "Explosives" means a chemical compound or mechanical mixture commonly used or  
751 intended for the purpose of producing an explosion and that contains any oxidizing and  
752 combustive units or other ingredients in proportions, quantities, or packing so that an  
753 ignition by fire, friction, concussion, percussion, or detonator of any part of the  
754 compound or mixture may cause a sudden generation of highly heated gases, and the  
755 resultant gaseous pressures are capable of producing destructive effects on contiguous  
756 objects or of causing death or serious bodily injury.
- 757 (23) "Farm tractor" means a motor vehicle designed and used primarily as a farm  
758 implement, for drawing plows, mowing machines, and other implements of husbandry.
- 759 (24) "Flammable liquid" means a liquid that has a flashpoint of 100 degrees F. or less, as  
760 determined by a Tagliabue or equivalent closed-cup test device.
- 761 (25) "Freeway" means a controlled-access highway that is part of the interstate system as  
762 defined in Section 72-1-102.
- 763 (26)(a) "Golf cart" means a device that:
- 764 (i) is designed for transportation by players on a golf course;
- 765 (ii) has not less than three wheels in contact with the ground;
- 766 (iii) has an unladen weight of less than 1,800 pounds;
- 767 (iv) is designed to operate at low speeds; and
- 768 (v) is designed to carry not more than six persons including the driver.
- 769 (b) "Golf cart" does not include:
- 770 (i) a low-speed vehicle or an off-highway vehicle;
- 771 (ii) a motorized wheelchair;
- 772 (iii) an electric personal assistive mobility device;
- 773 (iv) an electric assisted bicycle;
- 774 (v) a motor assisted scooter;
- 775 (vi) a personal delivery device, as defined in Section 41-6a-1119; or
- 776 (vii) a mobile carrier, as defined in Section 41-6a-1120.

- 777 (27) "Gore area" means the area delineated by two solid white lines that is between a  
778 continuing lane of a through roadway and a lane used to enter or exit the continuing lane  
779 including similar areas between merging or splitting highways.
- 780 (28) "Gross weight" means the weight of a vehicle without a load plus the weight of any  
781 load on the vehicle.
- 782 (29) "Hi-rail vehicle" means a roadway maintenance vehicle that is:
- 783 (a) manufactured to meet Federal Motor Vehicle Safety Standards; and  
784 (b) equipped with retractable flanged wheels that allow the vehicle to travel on a  
785 highway or railroad tracks.
- 786 (30) "Highway" means the entire width between property lines of every way or place of any  
787 nature when any part of it is open to the use of the public as a matter of right for  
788 vehicular travel.
- 789 (31) "Highway authority" means the same as that term is defined in Section 72-1-102.
- 790 (32)(a) "Intersection" means the area embraced within the prolongation or connection of  
791 the lateral curb lines, or, if none, then the lateral boundary lines of the roadways of  
792 two or more highways that join one another.
- 793 (b) Where a highway includes two roadways 30 feet or more apart:
- 794 (i) every crossing of each roadway of the divided highway by an intersecting  
795 highway is a separate intersection; and  
796 (ii) if the intersecting highway also includes two roadways 30 feet or more apart, then  
797 every crossing of two roadways of the highways is a separate intersection.
- 798 (c) "Intersection" does not include the junction of an alley with a street or highway.
- 799 (33) "Island" means an area between traffic lanes or at an intersection for control of vehicle  
800 movements or for pedestrian refuge designated by:
- 801 (a) pavement markings, which may include an area designated by two solid yellow lines  
802 surrounding the perimeter of the area;
- 803 (b) channelizing devices;
- 804 (c) curbs;
- 805 (d) pavement edges; or  
806 (e) other devices.
- 807 (34) "Lane filtering" means, when operating a motorcycle other than an autocycle, the act  
808 of overtaking and passing another vehicle that is stopped in the same direction of travel  
809 in the same lane.
- 810 (35) "Law enforcement agency" means the same as that term is as defined in Section



- 811 53-1-102.
- 812 (36) "Limited access highway" means a highway:
- 813 (a) that is designated specifically for through traffic; and
- 814 (b) over, from, or to which neither owners nor occupants of abutting lands nor other
- 815 persons have any right or easement, or have only a limited right or easement of
- 816 access, light, air, or view.
- 817 (37) "Local highway authority" means the legislative, executive, or governing body of a
- 818 county, municipal, or other local board or body having authority to enact laws relating to
- 819 traffic under the constitution and laws of the state.
- 820 (38)(a) "Low-speed vehicle" means a four wheeled motor vehicle that:
- 821 (i) is designed to be operated at speeds of not more than 25 miles per hour; and
- 822 (ii) has a capacity of not more than six passengers, including a conventional driver or
- 823 fallback-ready user if on board the vehicle, as those terms are defined in Section
- 824 41-26-102.1.
- 825 (b) "Low-speed vehicle" does not include a golfcart or an off-highway vehicle.
- 826 (39) "Metal tire" means a tire, the surface of which in contact with the highway is wholly or
- 827 partly of metal or other hard nonresilient material.
- 828 (40)(a) "Mini-motorcycle" means a motorcycle or motor-driven cycle that has a seat or
- 829 saddle that is less than 24 inches from the ground as measured on a level surface with
- 830 properly inflated tires.
- 831 (b) "Mini-motorcycle" does not include a moped or a motor assisted scooter.
- 832 (c) "Mini-motorcycle" does not include a motorcycle that is:
- 833 (i) designed for off-highway use; and
- 834 (ii) registered as an off-highway vehicle under Section 41-22-3.
- 835 (41) "Mobile home" means:
- 836 (a) a trailer or semitrailer that is:
- 837 (i) designed, constructed, and equipped as a dwelling place, living abode, or sleeping
- 838 place either permanently or temporarily; and
- 839 (ii) equipped for use as a conveyance on streets and highways; or
- 840 (b) a trailer or a semitrailer whose chassis and exterior shell is designed and constructed
- 841 for use as a mobile home, as defined in Subsection (41)(a), but that is instead used
- 842 permanently or temporarily for:
- 843 (i) the advertising, sale, display, or promotion of merchandise or services; or
- 844 (ii) any other commercial purpose except the transportation of property for hire or the

- 845 transportation of property for distribution by a private carrier.
- 846 (42) "Mobility disability" means the inability of a person to use one or more of the person's  
847 extremities or difficulty with motor skills, that may include limitations with walking,  
848 grasping, or lifting an object, caused by a neuro-muscular, orthopedic, or other condition.
- 849 (43)(a) "Moped" means a motor-driven cycle having:
- 850 (i) pedals to permit propulsion by human power; and  
851 (ii) a motor that:
- 852 (A) produces not more than two brake horsepower; and  
853 (B) is not capable of propelling the cycle at a speed in excess of 30 miles per hour  
854 on level ground.
- 855 (b) If an internal combustion engine is used, the displacement may not exceed 50 cubic  
856 centimeters and the moped shall have a power drive system that functions directly or  
857 automatically without clutching or shifting by the operator after the drive system is  
858 engaged.
- 859 (c) "Moped" does not include:
- 860 (i) an electric assisted bicycle; or  
861 (ii) a motor assisted scooter.
- 862 (44)(a) "Motor assisted scooter" means a self-propelled device with:
- 863 (i) at least two wheels in contact with the ground;  
864 (ii) a braking system capable of stopping the unit under typical operating conditions;  
865 (iii) an electric motor not exceeding 2,000 watts;  
866 (iv) either:
- 867 (A) handlebars and a deck design for a person to stand while operating the device;  
868 or  
869 (B) handlebars and a seat designed for a person to sit, straddle, or stand while  
870 operating the device;
- 871 (v) a design for the ability to be propelled by human power alone; and  
872 (vi) a maximum speed of 20 miles per hour on a paved level surface.
- 873 (b) "Motor assisted scooter" does not include:
- 874 (i) an electric assisted bicycle; or  
875 (ii) a motor-driven cycle.
- 876 (45)(a) "Motor vehicle" means a vehicle that is self-propelled and a vehicle that is  
877 propelled by electric power obtained from overhead trolley wires, but not operated  
878 upon rails.

- 879 (b) "Motor vehicle" does not include:
- 880 (i) vehicles moved solely by human power;
- 881 (ii) motorized wheelchairs;
- 882 (iii) an electric personal assistive mobility device;
- 883 (iv) an electric assisted bicycle;
- 884 (v) a motor assisted scooter;
- 885 (vi) a personal delivery device, as defined in Section 41-6a-1119; or
- 886 (vii) a mobile carrier, as defined in Section 41-6a-1120.
- 887 (46) "Motorcycle" means:
- 888 (a) a motor vehicle, other than a tractor, having a seat or saddle for the use of the rider
- 889 and designed to travel with not more than three wheels in contact with the ground; or
- 890 (b) an auticycle.
- 891 (47)(a) "Motor-driven cycle" means a motorcycle, moped, and a motorized bicycle
- 892 having:
- 893 (i) an engine with less than 150 cubic centimeters displacement; or
- 894 (ii) a motor that produces not more than five horsepower.
- 895 (b) "Motor-driven cycle" does not include:
- 896 (i) an electric personal assistive mobility device;
- 897 (ii) a motor assisted scooter; or
- 898 (iii) an electric assisted bicycle.
- 899 (48) "Off-highway implement of husbandry" means the same as that term is defined under
- 900 Section 41-22-2.
- 901 (49) "Off-highway motorcycle" means the same as that term is defined in Section 41-22-2.
- 902 [~~49~~] (50) "Off-highway vehicle" means the same as that term is defined under Section
- 903 41-22-2.
- 904 [~~50~~] (51) "Operate" means the same as that term is defined in Section 41-1a-102.
- 905 [~~51~~] (52) "Operator" means:
- 906 (a) a human driver, as defined in Section 41-26-102.1, that operates a vehicle; or
- 907 (b) an automated driving system, as defined in Section 41-26-102.1, that operates a
- 908 vehicle.
- 909 [~~52~~] (53) "Other on-track equipment" means a railroad car, hi-rail vehicle, rolling stock, or
- 910 other device operated, alone or coupled with another device, on stationary rails.
- 911 [~~53~~] (54)(a) "Park" or "parking" means the standing of a vehicle, whether the vehicle is
- 912 occupied or not.

- 913 (b) "Park" or "parking" does not include:
- 914 (i) the standing of a vehicle temporarily for the purpose of and while actually
- 915 engaged in loading or unloading property or passengers; or
- 916 (ii) a motor vehicle with an engaged automated driving system that has achieved a
- 917 minimal risk condition, as those terms are defined in Section 41-26-102.1.
- 918 [~~54~~] (55) "Peace officer" means a peace officer authorized under Title 53, Chapter 13,
- 919 Peace Officer Classifications, to direct or regulate traffic or to make arrests for
- 920 violations of traffic laws.
- 921 [~~55~~] (56) "Pedestrian" means a person traveling:
- 922 (a) on foot; or
- 923 (b) in a wheelchair.
- 924 [~~56~~] (57) "Pedestrian traffic-control signal" means a traffic-control signal used to regulate
- 925 pedestrians.
- 926 [~~57~~] (58) "Person" means a natural person, firm, copartnership, association, corporation,
- 927 business trust, estate, trust, partnership, limited liability company, association, joint
- 928 venture, governmental agency, public corporation, or any other legal or commercial
- 929 entity.
- 930 [~~58~~] (59) "Pole trailer" means a vehicle without motive power:
- 931 (a) designed to be drawn by another vehicle and attached to the towing vehicle by means
- 932 of a reach, or pole, or by being boomed or otherwise secured to the towing vehicle;
- 933 and
- 934 (b) that is ordinarily used for transporting long or irregular shaped loads including poles,
- 935 pipes, or structural members generally capable of sustaining themselves as beams
- 936 between the supporting connections.
- 937 [~~59~~] (60) "Private road or driveway" means every way or place in private ownership and
- 938 used for vehicular travel by the owner and those having express or implied permission
- 939 from the owner, but not by other persons.
- 940 [~~60~~] (61) "Programmable electric assisted bicycle" means an electric assisted bicycle with
- 941 capability to switch or be programmed to function as a class 1 electric assisted bicycle,
- 942 class 2 electric assisted bicycle, or class 3 electric assisted bicycle, provided that the
- 943 electric assisted bicycle fully conforms with the respective requirements of each class of
- 944 electric assisted bicycle when operated in that mode.
- 945 [~~61~~] (62) "Railroad" means a carrier of persons or property upon cars operated on
- 946 stationary rails.

947 ~~[(62)]~~ (63) "Railroad sign or signal" means a sign, signal, or device erected by authority of a  
948 public body or official or by a railroad and intended to give notice of the presence of  
949 railroad tracks or the approach of a railroad train.

950 ~~[(63)]~~ (64) "Railroad train" means a locomotive propelled by any form of energy, coupled  
951 with or operated without cars, and operated upon rails.

952 ~~[(64)]~~ (65) "Restored-modified vehicle" means the same as the term defined in Section  
953 41-1a-102.

954 ~~[(65)]~~ (66) "Right-of-way" means the right of one vehicle or pedestrian to proceed in a  
955 lawful manner in preference to another vehicle or pedestrian approaching under  
956 circumstances of direction, speed, and proximity that give rise to danger of collision  
957 unless one grants precedence to the other.

958 ~~[(66)]~~ (67)(a) "Roadway" means that portion of highway improved, designed, or  
959 ordinarily used for vehicular travel.

960 (b) "Roadway" does not include the sidewalk, berm, or shoulder, even though any of  
961 them are used by persons riding bicycles or other human-powered vehicles.

962 (c) "Roadway" refers to any roadway separately but not to all roadways collectively, if a  
963 highway includes two or more separate roadways.

964 ~~[(67)]~~ (68) "Safety zone" means the area or space officially set apart within a roadway for  
965 the exclusive use of pedestrians and that is protected, marked, or indicated by adequate  
966 signs as to be plainly visible at all times while set apart as a safety zone.

967 ~~[(68)]~~ (69)(a) "School bus" means a motor vehicle that:

968 (i) complies with the color and identification requirements of the most recent edition  
969 of "Minimum Standards for School Buses"; and

970 (ii) is used to transport school children to or from school or school activities.

971 (b) "School bus" does not include a vehicle operated by a common carrier in  
972 transportation of school children to or from school or school activities.

973 ~~[(69)]~~ (70)(a) "Semitrailer" means a vehicle with or without motive power:

974 (i) designed for carrying persons or property and for being drawn by a motor vehicle;  
975 and

976 (ii) constructed so that some part of its weight and that of its load rests on or is  
977 carried by another vehicle.

978 (b) "Semitrailer" does not include a pole trailer.

979 ~~[(70)]~~ (71) "Shoulder area" means:

980 (a) that area of the hard-surfaced highway separated from the roadway by a pavement

981 edge line as established in the current approved "Manual on Uniform Traffic Control  
982 Devices"; or

983 (b) that portion of the road contiguous to the roadway for accommodation of stopped  
984 vehicles, for emergency use, and for lateral support.

985 ~~[(71)]~~ (72) "Sidewalk" means that portion of a street between the curb lines, or the lateral  
986 lines of a roadway, and the adjacent property lines intended for the use of pedestrians.

987 ~~[(72)]~~ (73)(a) "Soft-surface trail" means a marked trail surfaced with sand, rock, or dirt  
988 that is designated for the use of a bicycle.

989 (b) "Soft-surface trail" does not mean a trail:

990 (i) where the use of a motor vehicle or an electric assisted bicycle is prohibited by a  
991 federal law, regulation, or rule; or

992 (ii) located in whole or in part on land granted to the state or a political subdivision  
993 subject to a conservation easement that prohibits the use of a motorized vehicle.

994 ~~[(73)]~~ (74) "Solid rubber tire" means a tire of rubber or other resilient material that does not  
995 depend on compressed air for the support of the load.

996 ~~[(74)]~~ (75) "Stand" or "standing" means the temporary halting of a vehicle, whether  
997 occupied or not, for the purpose of and while actually engaged in receiving or  
998 discharging passengers.

999 ~~[(75)]~~ (76) "Stop" when required means complete cessation from movement.

1000 ~~[(76)]~~ (77) "Stop" or "stopping" when prohibited means any halting even momentarily of a  
1001 vehicle, whether occupied or not, except when:

1002 (a) necessary to avoid conflict with other traffic; or

1003 (b) in compliance with the directions of a peace officer or traffic-control device.

1004 ~~[(77)]~~ (78) "Street-legal all-terrain vehicle" or "street-legal ATV" means an all-terrain type I  
1005 vehicle, all-terrain type II vehicle, or all-terrain type III vehicle, or an off-highway  
1006 motorcycle, that is modified to meet the requirements of Section 41-6a-1509 to operate  
1007 on highways in the state in accordance with Section 41-6a-1509.

1008 ~~[(78)]~~ (79) "Street-legal novel vehicle" means a vehicle registered as a novel vehicle under  
1009 Section 41-27-201 that is modified to meet the requirements of Section 41-6a-1509 to  
1010 operate on highways in the state in accordance with with Section 41-6a-1509.

1011 ~~[(79)]~~ (80) "Tow truck operator" means the same as that term is defined in Section 72-9-102.

1012 ~~[(80)]~~ (81) "Tow truck motor carrier" means the same as that term is defined in Section  
1013 72-9-102.

1014 ~~[(81)]~~ (82) "Traffic" means pedestrians, ridden or herded animals, vehicles, and other

- 1015 conveyances either singly or together while using any highway for the purpose of travel.
- 1016 [(82)] (83) "Traffic signal preemption device" means an instrument or mechanism designed,
- 1017 intended, or used to interfere with the operation or cycle of a traffic-control signal.
- 1018 [(83)] (84) "Traffic-control device" means a sign, signal, marking, or device not inconsistent
- 1019 with this chapter placed or erected by a highway authority for the purpose of regulating,
- 1020 warning, or guiding traffic.
- 1021 [(84)] (85) "Traffic-control signal" means a device, whether manually, electrically, or
- 1022 mechanically operated, by which traffic is alternately directed to stop and permitted to
- 1023 proceed.
- 1024 [(85)] (86)(a) "Trailer" means a vehicle with or without motive power designed for
- 1025 carrying persons or property and for being drawn by a motor vehicle and constructed
- 1026 so that no part of its weight rests upon the towing vehicle.
- 1027 (b) "Trailer" does not include a pole trailer.
- 1028 [(86)] (87) "Truck" means a motor vehicle designed, used, or maintained primarily for the
- 1029 transportation of property.
- 1030 [(87)] (88) "Truck tractor" means a motor vehicle:
- 1031 (a) designed and used primarily for drawing other vehicles; and
- 1032 (b) constructed to carry a part of the weight of the vehicle and load drawn by the truck
- 1033 tractor.
- 1034 [(88)] (89) "Two-way left turn lane" means a lane:
- 1035 (a) provided for vehicle operators making left turns in either direction;
- 1036 (b) that is not used for passing, overtaking, or through travel; and
- 1037 (c) that has been indicated by a lane traffic-control device that may include lane
- 1038 markings.
- 1039 [(89)] (90) "Urban district" means the territory contiguous to and including any street, in
- 1040 which structures devoted to business, industry, or dwelling houses are situated at
- 1041 intervals of less than 100 feet, for a distance of a quarter of a mile or more.
- 1042 [(90)] (91) "Vehicle" means a device in, on, or by which a person or property is or may be
- 1043 transported or drawn on a highway, except a mobile carrier, as defined in Section
- 1044 41-6a-1120, or a device used exclusively on stationary rails or tracks.
- 1045 Section 8. Section **41-6a-1509** is amended to read:
- 1046 **41-6a-1509 (Effective 05/07/25). Street-legal all-terrain vehicle -- Operation on**
- 1047 **highways -- Registration and licensing requirements -- Equipment requirements.**
- 1048 (1)(a) Except as provided in Subsection (1)(b), an individual may operate an all-terrain

1049 type I vehicle, all-terrain type II vehicle, or all-terrain type III vehicle, or an  
1050 off-highway motorcycle, that meets the requirements of this section as a street-legal  
1051 ATV on a street or highway.

1052 (b) An individual may not operate an all-terrain type I vehicle, all-terrain type II vehicle,  
1053 or all-terrain type III vehicle, or an off-highway motorcycle, as a street-legal ATV on  
1054 a highway if:

1055 (i) the highway is an interstate system as defined in Section 72-1-102; or

1056 (ii) the highway is in a county of the first class and both of the following criterion is  
1057 met:

1058 (A) the highway is near a grade separated portion of the highway; and

1059 (B) the highway has a posted speed limit higher than 50 miles per hour.

1060 (c) Nothing in this section authorizes the operation of a street-legal ATV in an area that  
1061 is not open to motor vehicle use.

1062 (2)(a) Except as provided in Subsection (2)(b), an individual may operate a vehicle that  
1063 is registered as a novel vehicle on a street or highway, if the vehicle meets the  
1064 requirements of this section as a street-legal novel vehicle.

1065 (b) An individual may not operate a vehicle registered as a novel vehicle as a street-legal  
1066 novel vehicle on a highway if:

1067 (i) the highway is an interstate system as defined in Section 72-1-102; or

1068 (ii) the highway is in a county of the first class and both of the following criterion are  
1069 met:

1070 (A) the highway is near a grade separated portion of the highway; and

1071 (B) the highway has a posted speed limit higher than 50 miles per hour.

1072 (c) Nothing in this section authorizes the operation of a street-legal novel vehicle in an  
1073 area that is not open to motor vehicle use.

1074 (3) A street-legal ATV shall comply with Section 59-2-405.2, Subsection 41-1a-205(1),  
1075 Subsection 53-8-205(1)(b), and the same requirements as:

1076 (a) a motorcycle for:

1077 (i) traffic rules under this chapter;

1078 (ii) titling, odometer statement, vehicle identification, license plates, and registration,  
1079 excluding registration fees, under Chapter 1a, Motor Vehicle Act; and

1080 (iii) the county motor vehicle emissions inspection and maintenance programs under  
1081 Section 41-6a-1642;

1082 (b) a motor vehicle for:



- 1083 (i) driver licensing under Title 53, Chapter 3, Uniform Driver License Act; and  
1084 (ii) motor vehicle insurance under Chapter 12a, Financial Responsibility of Motor  
1085 Vehicle Owners and Operators Act; and  
1086 (c) an all-terrain type I or type II vehicle, or an off-highway motorcycle, for off-highway  
1087 vehicle provisions under Chapter 22, Off-highway Vehicles, and Chapter 3, Motor  
1088 Vehicle Business Regulation Act, unless otherwise specified in this section.
- 1089 (4) A street-legal novel vehicle shall comply with Subsection 41-1a-205(1), Subsection  
1090 53-8-205(1)(b), and the requirements for registration as a novel vehicle under Section  
1091 41-27-201.
- 1092 (5)(a) The owner of an all-terrain type I vehicle or an off-highway motorcycle being  
1093 operated as a street-legal ATV shall ensure that the vehicle is equipped with:
- 1094 (i) one or more headlamps that meet the requirements of Section 41-6a-1603;  
1095 (ii) one or more tail lamps;  
1096 (iii) a tail lamp or other lamp constructed and placed to illuminate the registration  
1097 plate with a white light;  
1098 (iv) one or more red reflectors on the rear;  
1099 (v) one or more stop lamps on the rear;  
1100 (vi) amber or red electric turn signals, one on each side of the front and rear;  
1101 (vii) a braking system, other than a parking brake, that meets the requirements of  
1102 Section 41-6a-1623;  
1103 (viii) a horn or other warning device that meets the requirements of Section  
1104 41-6a-1625;  
1105 (ix) a muffler and emission control system that meets the requirements of Section  
1106 41-6a-1626;  
1107 (x) rearview mirrors on the right and left side of the driver in accordance with Section  
1108 41-6a-1627;  
1109 (xi) a windshield, unless the operator wears eye protection while operating the  
1110 vehicle;  
1111 (xii) a speedometer, illuminated for nighttime operation;  
1112 (xiii) for vehicles designed by the manufacturer for carrying one or more passengers,  
1113 a seat designed for passengers; and  
1114 (xiv) tires that:  
1115 (A) are not larger than the tires that the all-terrain vehicle manufacturer made  
1116 available for the all-terrain vehicle model; and

- 1117 (B) have at least 2/32 inches or greater tire tread.
- 1118 (b) The owner of an all-terrain type II vehicle or all-terrain type III vehicle being  
1119 operated as a street-legal all-terrain vehicle or of a vehicle registered as a novel  
1120 vehicle being operated as a street-legal novel vehicle shall ensure that the vehicle is  
1121 equipped with:
- 1122 (i) two headlamps that meet the requirements of Section 41-6a-1603;
  - 1123 (ii) two tail lamps;
  - 1124 (iii) a tail lamp or other lamp constructed and placed to illuminate the registration  
1125 plate with a white light;
  - 1126 (iv) one or more red reflectors on the rear;
  - 1127 (v) two stop lamps on the rear;
  - 1128 (vi) amber or red electric turn signals, one on each side of the front and rear;
  - 1129 (vii) a braking system, other than a parking brake, that meets the requirements of  
1130 Section 41-6a-1623;
  - 1131 (viii) a horn or other warning device that meets the requirements of Section  
1132 41-6a-1625;
  - 1133 (ix) a muffler and emission control system that meets the requirements of Section  
1134 41-6a-1626;
  - 1135 (x) rearview mirrors on the right and left side of the driver in accordance with Section  
1136 41-6a-1627;
  - 1137 (xi) a windshield, unless the operator wears eye protection while operating the  
1138 vehicle;
  - 1139 (xii) a speedometer, illuminated for nighttime operation;
  - 1140 (xiii) for vehicles designed by the manufacturer for carrying one or more passengers,  
1141 a seat designed for passengers;
  - 1142 (xiv) for vehicles with side-by-side or tandem seating, seatbelts for each vehicle  
1143 occupant;
  - 1144 (xv) a seat with a height between 20 and 40 inches when measured at the forward  
1145 edge of the seat bottom; and
  - 1146 (xvi) tires that:
    - 1147 (A) do not exceed 44 inches in height; and
    - 1148 (B) have at least 2/32 inches or greater tire tread.
- 1149 (c) The owner of a street-legal all-terrain vehicle is not required to equip the vehicle with  
1150 wheel covers, mudguards, flaps, or splash aprons.

- 1151 (6)(a) Subject to the requirements of Subsection (6)(b), an operator of a street-legal  
1152 all-terrain vehicle, when operating a street-legal all-terrain vehicle on a highway, may  
1153 not exceed the lesser of:
- 1154 (i) the posted speed limit; or
  - 1155 (ii) 50 miles per hour.
- 1156 (b) An operator of a street-legal all-terrain vehicle, when operating a street-legal  
1157 all-terrain vehicle on a highway with a posted speed limit higher than 50 miles per  
1158 hour, shall:
- 1159 (i) operate the street-legal all-terrain vehicle on the extreme right hand side of the  
1160 roadway; and
  - 1161 (ii) equip the street-legal all-terrain vehicle with a reflector or reflective tape to the  
1162 front and back of both sides of the vehicle.
- 1163 (7)(a) Subject to the requirements of Subsection (7)(b), an operator of a street-legal  
1164 novel vehicle, when operating as a street-legal novel vehicle on a highway, may not  
1165 exceed the lesser of:
- 1166 (i) the posted speed limit; or
  - 1167 (ii) 50 miles per hour.
- 1168 (b) An operator of a street-legal novel vehicle, when operating a street-legal novel  
1169 vehicle on a highway with a posted speed limit higher than 50 miles per hour, shall:
- 1170 (i) operate the street-legal novel vehicle on the extreme right hand side of the  
1171 roadway; and
  - 1172 (ii) equip the street-legal novel vehicle with a reflector or reflective tape to the front  
1173 and back of both sides of the vehicle.
- 1174 (8)(a) A nonresident operator of an off-highway vehicle that is authorized to be operated  
1175 on the highways of another state has the same rights and privileges as a street-legal  
1176 ATV or street-legal novel vehicle that is granted operating privileges on the  
1177 highways of this state, subject to the restrictions under this section and rules made by  
1178 the Division of Outdoor Recreation, after notifying the Outdoor Adventure  
1179 Commission, if the other state offers reciprocal operating privileges to Utah residents.
- 1180 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1181 Division of Outdoor Recreation, after notifying the Outdoor Adventure Commission,  
1182 shall establish eligibility requirements for reciprocal operating privileges for  
1183 nonresident users granted under Subsection (8)(a).
- 1184 (9) Nothing in this chapter restricts the owner of an off-highway vehicle from operating the

1185 off-highway vehicle in accordance with Section 41-22-10.5.

1186 (10) A violation of this section is an infraction.

1187 Section 9. Section **41-12a-804** is amended to read:

1188 **41-12a-804 (Effective 05/07/25). Notice -- Proof -- Revocation of registration --**  
 1189 **False statements -- Penalties -- Exemptions -- Sales tax enforcement.**

1190 (1) ~~[If]~~ Subject to Subsection (3), if the comparison under Section 41-12a-803 shows that a  
 1191 motor vehicle ~~[or motorboat]~~ is not insured for three consecutive months, or a motorboat  
 1192 is not insured for two consecutive months, the Motor Vehicle Division shall direct that  
 1193 the designated agent provide notice to the owner of the motor vehicle or motorboat that  
 1194 the owner has 15 days to provide:

1195 (a) proof of owner's or operator's security in a form allowed under Subsection  
 1196 41-12a-303.2(2); or

1197 (b) proof of exemption from the owner's or operator's security requirements.

1198 (2) ~~[If]~~ Subject to Subsection (3), if an owner of a motor vehicle or motorboat fails to  
 1199 provide satisfactory proof of owner's or operator's security to the designated agent, the  
 1200 designated agent shall:

1201 (a) provide a second notice to the owner of the motor vehicle or motorboat that the  
 1202 owner now has 15 days to provide:

1203 (i) proof of owner's or operator's security in a form allowed under Subsection  
 1204 41-12a-303.2(2); or

1205 (ii) proof of exemption from the owner's or operator's security requirements;

1206 (b) for each notice provided, indicate information relating to the owner's failure to  
 1207 provide proof of owner's or operator's security in the database; and

1208 (c) provide this information to state and local law enforcement agencies as requested in  
 1209 accordance with the provisions under Section 41-12a-805.

1210 (3)(a) Except as provided in Subsection (3)(b), for a motorboat, Subsections (1) and (2)  
 1211 only apply during the months of April through October.

1212 (b) For a motorboat, the designated agent shall comply with the requirement described in  
 1213 Subsection (2)(c) year-round.

1214 (c) For a notice required under Subsection (1) for a motorboat, the requirement for the  
 1215 Motor Vehicle Division and the designated agent to send notice begins on January 1,  
 1216 2026.

1217 ~~[(3)]~~ (4)(a) The Motor Vehicle Division:

1218 ~~[(a)]~~ (i) shall revoke the registration upon receiving notification under Subsection

1219 41-1a-110(2);  
 1220 ~~[(b)]~~ (ii) shall provide appropriate notices of the revocation, the legal consequences of  
 1221 operating a vehicle with revoked registration and without owner's or operator's  
 1222 security, and instructions on how to get the registration reinstated; and  
 1223 ~~[(e)]~~ (iii) may direct the designated agent to provide the notices under this Subsection [  
 1224 ~~(3)]~~ (4)(a).

1225 (b) For a motorboat, Subsection (4)(a) only applies during the months of April through  
 1226 October.

1227 ~~[(4)]~~ (5) Any action by the Motor Vehicle Division to revoke the registration of a motor  
 1228 vehicle or motorboat under this section may be in addition to an action by a law  
 1229 enforcement agency to impose the penalties under Section 41-12a-302 or 41-12a-303.2.

1230 ~~[(5)]~~ (6)(a) A person may not provide a false or fraudulent statement to the Motor  
 1231 Vehicle Division or designated agent.

1232 (b) In addition to any other penalties, a person who violates Subsection ~~[(5)(a)]~~ (6)(a) is  
 1233 guilty of a class B misdemeanor.

1234 ~~[(6)]~~ (7) The department and the Motor Vehicle Division shall direct the designated agent to  
 1235 exempt from this section a farm truck that:

1236 (a) meets the definition of a farm truck under Section 41-1a-102; and

1237 (b) is registered as a farm truck under Title 41, Chapter 1a, Motor Vehicle Act.

1238 ~~[(7)]~~ (8) This part does not affect other actions or penalties that may be taken or imposed for  
 1239 violation of the owner's and operator's security requirements of this chapter.

1240 ~~[(8)]~~ (9) If a comparison under Section 41-12a-803 shows that a motor vehicle or motorboat  
 1241 may not be in compliance with motor vehicle or motorboat registration or sales and use  
 1242 tax laws, the Motor Vehicle Division may direct that the designated agent provide notice  
 1243 to the owner of a motor vehicle or motorboat that information exists which indicates the  
 1244 possible violation.

1245 Section 10. Section **41-22-2** is amended to read:

1246 **41-22-2 (Effective 05/07/25). Definitions.**

1247 As used in this chapter:

1248 (1) "Advisory council" means an advisory council appointed by the Division of Outdoor  
 1249 Recreation that has within the advisory council's duties advising on policies related to  
 1250 the use of off-highway vehicles.

1251 (2) "All-terrain type I vehicle" means any motor vehicle 52 inches or less in width, having  
 1252 an unladen dry weight of 1,500 pounds or less, traveling on three or more low pressure

1253 tires, having a seat designed to be straddled by the operator, and designed for or capable  
1254 of travel over unimproved terrain.

1255 (3)(a) "All-terrain type II vehicle" means any motor vehicle 80 inches or less in width,  
1256 traveling on four or more low pressure tires, having a steering wheel, non-straddle  
1257 seating, a rollover protection system, and designed for or capable of travel over  
1258 unimproved terrain, and is:

1259 (i) an electric-powered vehicle; or

1260 (ii) a vehicle powered by an internal combustion engine and has an unladen dry  
1261 weight of 3,500 pounds or less.

1262 (b) "All-terrain type II vehicle" does not include golf carts, any vehicle designed to carry  
1263 a person with a disability, any vehicle not specifically designed or modified primarily  
1264 for recreational use on unimproved terrain, or farm tractors as defined under Section  
1265 41-1a-102.

1266 (4)(a) "All-terrain type III vehicle" means any other motor vehicle, not defined in  
1267 Subsection (2), (3), (12), or [~~(22)~~] (23), designed for or capable of travel over  
1268 unimproved terrain.

1269 (b) "All-terrain type III vehicle" does not include golf carts, any vehicle designed to  
1270 carry a person with a disability, any vehicle not specifically designed or modified  
1271 primarily for recreational use on unimproved terrain, or farm tractors as defined  
1272 under Section 41-1a-102.

1273 (5) "Commission" means the Outdoor Adventure Commission.

1274 (6) "Cross-country" means across natural terrain and off an existing highway, road, route,  
1275 or trail.

1276 (7) "Dealer" means a person engaged in the business of selling off-highway vehicles at  
1277 wholesale or retail.

1278 (8) "Division" means the Division of Outdoor Recreation.

1279 (9) "Low pressure tire" means any pneumatic tire six inches or more in width designed for  
1280 use on wheels with rim diameter of 14 inches or less and utilizing an operating pressure  
1281 of 10 pounds per square inch or less as recommended by the vehicle manufacturer.

1282 (10) "Manufacturer" means a person engaged in the business of manufacturing off-highway  
1283 vehicles.

1284 (11)(a) "Motor vehicle" means every vehicle which is self-propelled.

1285 (b) "Motor vehicle" includes an off-highway vehicle.

1286 (12) "Motorcycle" means every motor vehicle having a saddle for the use of the operator

1287 and designed to travel on not more than two tires.

1288 (13) "Off-highway implement of husbandry" means every all-terrain type I vehicle,  
1289 all-terrain type II vehicle, all-terrain type III vehicle, off-highway motorcycle, or  
1290 snowmobile that is used by the owner or the owner's agent for agricultural operations.

1291 (14) "Off-highway motorcycle" means an off-highway vehicle that is a motorcycle and is  
1292 designed for use primarily off-highway.

1293 [(14)] (15) "Off-highway vehicle" means any snowmobile, all-terrain type I vehicle,  
1294 all-terrain type II vehicle, all-terrain type III vehicle, or off-highway motorcycle.

1295 [(15)] (16) "Operate" means to control the movement of or otherwise use an off-highway  
1296 vehicle.

1297 [(16)] (17) "Operator" means the person who is in actual physical control of an off-highway  
1298 vehicle.

1299 [(17)] (18) "Organized user group" means an off-highway vehicle organization incorporated  
1300 as a nonprofit corporation in the state under Title 16, Chapter 6a, Utah Revised  
1301 Nonprofit Corporation Act, for the purpose of promoting the interests of off-highway  
1302 vehicle recreation.

1303 [(18)] (19) "Owner" means a person, other than a person with a security interest, having a  
1304 property interest or title to an off-highway vehicle and entitled to the use and possession  
1305 of that vehicle.

1306 [(19)] (20) "Public land" means land owned or administered by any federal or state agency  
1307 or any political subdivision of the state.

1308 [(20)] (21) "Register" means the act of assigning a registration number to an off-highway  
1309 vehicle.

1310 [(21)] (22) "Roadway" is used as defined in Section 41-6a-102.

1311 [(22)] (23) "Snowmobile" means any motor vehicle designed for travel on snow or ice and  
1312 steered and supported in whole or in part by skis, belts, cleats, runners, or low pressure  
1313 tires, and equipped with a saddle or seat for the use of the rider.

1314 [(23)] (24) "Street or highway" means the entire width between boundary lines of every way  
1315 or place of whatever nature, when any part of it is open to the use of the public for  
1316 vehicular travel.

1317 [(24)] (25) "Street-legal all-terrain vehicle" or "street-legal ATV" has the same meaning as  
1318 defined in Section 41-6a-102.

1319 Section 11. Section **41-22-3** is amended to read:

1320 **41-22-3 (Effective 05/07/25). Registration of vehicles -- Application -- Issuance of**

1321 **sticker and card -- Proof of property tax payment -- Records.**

1322 (1)(a) Unless exempted under Section 41-22-9, a person may not operate or place and an  
1323 owner may not give another person permission to operate or place any off-highway  
1324 vehicle on any public land, trail, street, or highway in this state unless the  
1325 off-highway vehicle is registered under this chapter for the current year.

1326 (b) Unless exempted under Section 41-22-9, a dealer may not sell an off-highway  
1327 vehicle which can be used on any public land, trail, street, or highway in this state,  
1328 unless the off-highway vehicle is registered or is in the process of being registered  
1329 under this chapter for the current year.

1330 (c) Unless specifically provided in this chapter, the division shall administer license  
1331 plates, decals, and registration of off-highway vehicles in accordance with Chapter  
1332 1a, Motor Vehicle Act.

1333 (2)(a) The owner of an off-highway vehicle subject to registration under this chapter  
1334 shall apply to the Motor Vehicle Division for registration on forms approved by the  
1335 Motor Vehicle Division.

1336 (b) An owner of an off-highway vehicle may apply for automatic registration renewal as  
1337 described in Section 41-1a-216.

1338 (3) Each application for registration of an off-highway vehicle shall be accompanied by:

1339 (a) evidence of ownership, a title, or a manufacturer's certificate of origin, and a bill of  
1340 sale showing ownership, make, model, horsepower or displacement, and serial  
1341 number;

1342 (b) the past registration card; or

1343 (c) the fee for a duplicate.

1344 (4)(a)(i) Beginning on January 1, 2023, except as provided in Subsection (4)(e), the  
1345 first time an off-highway vehicle is registered, the Motor Vehicle Division shall  
1346 issue one off-highway vehicle license plate, a registration decal, and a registration  
1347 card.

1348 (ii) If an off-highway vehicle has been registered previously in this state but has not  
1349 been issued an off-highway vehicle license plate, beginning on January 1, 2023,  
1350 upon application for registration renewal, the Motor Vehicle Division shall issue  
1351 one off-highway vehicle license plate, a registration decal, and a registration card.

1352 (b) Upon each annual registration, the Motor Vehicle Division shall issue a registration  
1353 decal and a registration card for each off-highway vehicle registered.

1354 (c) The off-highway vehicle license plate:



- 1355 (i) shall contain a unique five-digit number, using numbers, letters, or a combination  
1356 of numbers and letters, to identify the off-highway vehicle for which it is issued;
- 1357 (ii) shall be affixed to the rear of the off-highway vehicle for which it is issued in a  
1358 plainly visible and upright position as prescribed by rule of the division under  
1359 Section 41-22-5.1;
- 1360 (iii) shall be maintained free of foreign materials and in a condition to be clearly  
1361 legible;
- 1362 (iv) shall be a distinct tan color with black lettering to identify the license plate as an  
1363 off-highway vehicle license plate;
- 1364 (v) shall have a location to attach the registration decal; and
- 1365 (vi) may not be a personalized license plate or a special group license plate.
- 1366 (d)(i) At all times, proof of registration shall be kept with the off-highway vehicle  
1367 and shall be available for inspection by a law enforcement officer.
- 1368 (ii) An individual may show proof of registration by displaying:
- 1369 (A) a digital copy or photograph of the registration card on a mobile electronic  
1370 device;
- 1371 (B) proof of registration on a mobile electronic device through a mobile  
1372 application approved by the relevant state agency; or
- 1373 (C) an original registration card issued by the Motor Vehicle Division.
- 1374 (e) An off-highway vehicle that is [a] an off-highway motorcycle or a snowmobile is:
- 1375 (i) not required to obtain or display an off-highway vehicle license plate; and  
1376 (ii) required to obtain and display an off-highway vehicle registration sticker.
- 1377 (5)(a) Except as provided by Subsection (5)(c), an applicant for a registration card and  
1378 registration decal shall provide the Motor Vehicle Division a certificate, described  
1379 under Subsection (5)(b), from the county assessor of the county in which the  
1380 off-highway vehicle has situs for taxation.
- 1381 (b) The certificate required under Subsection (5)(a) shall state one of the following:
- 1382 (i) the property tax on the off-highway vehicle for the current year has been paid;  
1383 (ii) in the county assessor's opinion, the tax is a lien on real property sufficient to  
1384 secure the payment of the tax; or
- 1385 (iii) the off-highway vehicle is exempt by law from payment of property tax for the  
1386 current year.
- 1387 (c) An off-highway vehicle for which an off-highway implement of husbandry sticker  
1388 has been issued in accordance with Section 41-22-5.5 is:

- 1389 (i) exempt from the requirement under this Subsection (5);
- 1390 (ii) not required to obtain or purchase an off-highway vehicle license plate; and
- 1391 (iii) required to obtain and display an off-highway vehicle registration sticker.
- 1392 (6)(a) All records of the division made or kept under this section shall be classified by
- 1393 the Motor Vehicle Division in the same manner as motor vehicle records are
- 1394 classified under Section 41-1a-116.
- 1395 (b) Division records are available for inspection in the same manner as motor vehicle
- 1396 records under Section 41-1a-116.
- 1397 (7) A violation of this section is an infraction.
- 1398 Section 12. Section **41-22-5.5** is amended to read:
- 1399 **41-22-5.5 (Effective 05/07/25). Off-highway husbandry vehicles.**
- 1400 (1)(a)(i) The owner of an all-terrain type I vehicle, off-highway motorcycle,
- 1401 all-terrain type II vehicle, all-terrain type III vehicle, or snowmobile used for
- 1402 agricultural purposes may apply to the Motor Vehicle Division for an off-highway
- 1403 implement of husbandry sticker.
- 1404 (ii) Each application under Subsection (1)(a)(i) shall be accompanied by:
- 1405 (A) evidence of ownership;
- 1406 (B) a title or a manufacturer's certificate of origin; and
- 1407 (C) a signed statement certifying that the off-highway vehicle is used for
- 1408 agricultural purposes.
- 1409 (iii) The owner shall receive an off-highway implement of husbandry sticker upon
- 1410 production of:
- 1411 (A) the documents required under this Subsection (1); and
- 1412 (B) payment of an off-highway implement of husbandry sticker fee established by
- 1413 the division, after notifying the commission, not to exceed \$10.
- 1414 (b) If the vehicle is also used for recreational purposes on public lands, trails, streets, or
- 1415 highways, it shall also be registered under Section 41-22-3.
- 1416 (c) The off-highway implement of husbandry sticker shall be displayed in a manner
- 1417 prescribed by the division and shall identify the all-terrain type I vehicle, off-highway
- 1418 motorcycle, all-terrain type II vehicle, all-terrain type III vehicle, or snowmobile as
- 1419 an off-highway implement of husbandry.
- 1420 (2) The off-highway implement of husbandry sticker is valid only for the life of the
- 1421 ownership of the all-terrain type I vehicle, off-highway motorcycle, all-terrain type II
- 1422 vehicle, all-terrain type III vehicle, or snowmobile and is not transferable.

- 1423 (3) The off-highway implement of husbandry sticker is valid for an all-terrain type I  
 1424 vehicle, off-highway motorcycle, all-terrain type II vehicle, all-terrain type III vehicle,  
 1425 or snowmobile that is being operated adjacent to a roadway:
- 1426 (a) when the all-terrain type I vehicle, off-highway motorcycle, all-terrain type II  
 1427 vehicle, all-terrain type III vehicle, or snowmobile is only being used to travel from  
 1428 one parcel of land owned, operated, permitted, or leased for agricultural purposes by  
 1429 the owner of the vehicle to another parcel of land owned, operated, permitted, or  
 1430 leased for agricultural purposes by the owner; and
- 1431 (b) when this operation is necessary for the furtherance of agricultural purposes.
- 1432 (4) If the operation of an off-highway implement of husbandry adjacent to a roadway is  
 1433 impractical, it may be operated on the roadway if the operator exercises due care  
 1434 towards conventional motor vehicle traffic.
- 1435 (5) It is unlawful to operate an off-highway implement of husbandry along, across, or  
 1436 within the boundaries of an interstate freeway.
- 1437 (6) A violation of this section is an infraction.

1438 Section 13. Section **41-22-10.7** is amended to read:

1439 **41-22-10.7 (Effective 05/07/25). Vehicle equipment requirements -- Rulemaking**  
 1440 **-- Exceptions.**

- 1441 (1) Except as provided under Subsection (3), an off-highway vehicle shall be equipped with:
- 1442 (a) brakes adequate to control the movement of and to stop and hold the vehicle under  
 1443 normal operating conditions;
- 1444 (b) headlights and taillights when operated between sunset and sunrise;
- 1445 (c) a noise control device and except for a snowmobile, a spark arrestor device; and
- 1446 (d) when operated on sand dunes designated by the division, a safety flag that is:
- 1447 (i) red or orange in color;
- 1448 (ii) a minimum of six by 12 inches; and
- 1449 (iii) attached to:
- 1450 (A) the off-highway vehicle so that the safety flag is at least eight feet above the  
 1451 surface of level ground; or
- 1452 (B) the protective headgear of a person operating [a] an off-highway motorcycle so  
 1453 that the safety flag is at least 18 inches above the top of the person's head.
- 1454 (2) A violation of Subsection (1) is an infraction.
- 1455 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
 1456 division may make rules, after notifying the commission, which set standards for the

- 1457 equipment and which designate sand dunes where safety flags are required under  
1458 Subsection (1).
- 1459 (4) An off-highway implement of husbandry used only in agricultural operations and not  
1460 operated on a highway, is exempt from the provisions of this section.
- 1461 Section 14. Section **41-22-10.8** is amended to read:
- 1462 **41-22-10.8 (Effective 05/07/25). Protective headgear requirements -- Owner duty**  
1463 **-- Penalty for violation.**
- 1464 (1) A person under the age of 18 may not operate or ride on [~~all-terrain type I vehicles,~~  
1465 ~~snowmobiles, or motoreycles~~] an all-terrain type I vehicle, a snowmobile, or an  
1466 off-highway motorcycle on public land unless the person is wearing a properly fitted and  
1467 fastened, United States Department of Transportation safety-rated protective headgear  
1468 designed for motorized vehicle use.
- 1469 (2) The owner of an off-highway vehicle or any other person may not give permission to a  
1470 person who is under 18 years [~~of age~~] old to operate or ride on an off-highway vehicle in  
1471 violation of this section.
- 1472 (3) An operator and passengers of off-highway implements of husbandry operated in the  
1473 manner prescribed by Subsections 41-22-5.5(3) and (4) are exempt from the  
1474 requirements of this section.
- 1475 (4) Any person convicted of violations of this section is guilty of an infraction and shall be  
1476 fined not more than \$50 per offense.
- 1477 (5) A court shall waive \$8 of a fine charged for a violation of Title 41, Chapter 22,  
1478 Off-highway Vehicles, to a person operating an off-highway vehicle on public land if  
1479 the person was:
- 1480 (a) 18 years [~~of age~~] old or older at the time of operation; and  
1481 (b) wearing protective headgear that complies with the requirements described under  
1482 Subsection (1) at the time of operation.
- 1483 (6) The failure to wear protective headgear:  
1484 (a) does not constitute contributory or comparative negligence on the part of a person  
1485 seeking recovery for injuries; and  
1486 (b) may not be introduced as evidence in any civil litigation on the issue of negligence,  
1487 injuries, or the mitigation of damages.
- 1488 (7) Notwithstanding Subsection (5), a court may not waive \$8 of a fine charged to a person  
1489 operating an off-highway vehicle on public land for a driving under the influence  
1490 violation of Section 41-6a-502.

1491 Section 15. Section **51-9-902** is amended to read:

1492 **51-9-902 (Effective 07/01/26). Outdoor Adventure Infrastructure Restricted**

1493 **Account.**

1494 (1) There is created within the General Fund a restricted account known as the "Outdoor  
1495 Adventure Infrastructure Restricted Account."

1496 (2) The account shall consist of:

1497 (a) money deposited into the account under Subsection [~~59-12-103(15)~~] 59-12-103(4)(h);  
1498 and

1499 (b) interest and earnings on money in the account.

1500 (3) Subject to appropriation from the Legislature, money from the account shall be used for:

1501 (a) new construction of outdoor recreation infrastructure;

1502 (b) upgrades of outdoor recreation infrastructure;

1503 (c) the replacement of or structural improvements to outdoor recreation infrastructure;

1504 (d) the acquisition of land, a right-of-way, or easement used in relationship to outdoor  
1505 recreation infrastructure;

1506 (e) providing access from state highways, as defined in Section 72-1-102, to outdoor  
1507 recreation infrastructure;

1508 (f) the costs associated with bringing new construction or upgrades of outdoor  
1509 recreation infrastructure into environmental compliance;

1510 (g) strategic planning related to the development of outdoor recreation infrastructure; or

1511 (h) facilitating avalanche safety forecasting to protect the public in relation to outdoor  
1512 recreation infrastructure.

1513 (4) For each fiscal year, beginning with fiscal year 2023-2024, the Division of Finance  
1514 shall, subject to appropriation by the Legislature, distribute money from the Outdoor  
1515 Adventure Infrastructure Restricted Account as follows:

1516 (a) at least 15% to the Department of Natural Resources - Division of State Parks -  
1517 Capital, to be expended using the department's existing prioritization process for  
1518 capital projects in state parks described in Subsection (3);

1519 (b) at least 22% to the Department of Natural Resources - Division of Outdoor  
1520 Recreation - Capital, to be expended for competitive Recreation Restoration  
1521 Infrastructure grants or Outdoor Recreational Infrastructure grants for outdoor  
1522 recreation capital projects and related maintenance expenses, where maintenance  
1523 expenses do not exceed 15% of the appropriation; and

1524 (c) at least 53% to the Department of Natural Resources - Division of Outdoor

1525 Recreation - Capital, to be expended for larger outdoor recreation infrastructure  
 1526 projects described in Subsection (3) as recommended to the Legislature by the  
 1527 Outdoor Adventure Commission.

1528 (5) If the Legislature appropriates money to the Department of Transportation from the  
 1529 account, the Transportation Commission, created in Section 72-1-301, shall prioritize  
 1530 projects and determine funding levels in accordance with Subsection 72-1-303(1)(a)  
 1531 based on recommendations of the Department of Transportation.

1532 Section 16. Section **53-2a-1102** is amended to read:

1533 **53-2a-1102 (Effective 07/01/26). Search and Rescue Financial Assistance**  
 1534 **Program -- Uses -- Rulemaking -- Distribution.**

1535 (1) As used in this section:

1536 (a) "Assistance card program" means the Utah Search and Rescue Assistance Card  
 1537 Program created within this section.

1538 (b) "Card" means the Search and Rescue Assistance Card issued under this section to a  
 1539 participant.

1540 (c) "Participant" means an individual, family, or group who is registered pursuant to this  
 1541 section as having a valid card at the time search, rescue, or both are provided.

1542 (d) "Program" means the Search and Rescue Financial Assistance Program created  
 1543 within this section.

1544 (e)(i) "Reimbursable base expenses" means those reasonable expenses incidental to  
 1545 search and rescue activities.

1546 (ii) "Reimbursable base expenses" include:

1547 (A) rental for fixed wing aircraft, snowmobiles, boats, and generators;

1548 (B) replacement and upgrade of search and rescue equipment;

1549 (C) training of search and rescue volunteers;

1550 (D) costs of providing life insurance and workers' compensation benefits for  
 1551 volunteer search and rescue team members under Section 67-20-7.5; and

1552 (E) any other equipment or expenses necessary or appropriate for conducting  
 1553 search and rescue activities.

1554 (iii) "Reimbursable base expenses" do not include any salary or overtime paid to an  
 1555 individual on a regular or permanent payroll, including permanent part-time  
 1556 employees of any agency of the state.

1557 (f) "Rescue" means search services, rescue services, or both search and rescue services.

1558 (2) There is created the Search and Rescue Financial Assistance Program within the

- 1559 division.
- 1560 (3)(a) The financial program and the assistance card program shall be funded from the  
1561 following revenue sources:
- 1562 (i) any voluntary contributions to the state received for search and rescue operations;  
1563 (ii) money received by the state under Subsection (11) and under Sections 23A-4-209,  
1564 41-22-34, and 73-18-24;  
1565 (iii) money deposited  
1566 under [~~Subsection 59-12-103(13)~~] Section 59-12-103 as a dedicated credit for the  
1567 sole use of the Search and Rescue Financial Assistance Program;  
1568 (iv) contributions deposited in accordance with Section 41-1a-230.7; and  
1569 (v) appropriations made to the program by the Legislature.
- 1570 (b) Money received from the revenue sources in Subsections (3)(a)(i), (ii), and (iv), and  
1571 90% of the money described in Subsection (3)(a)(iii), shall be deposited into the  
1572 General Fund as a dedicated credit to be used solely for the program.
- 1573 (c) Ten percent of the money described in Subsection (3)(a)(iii) shall be deposited into  
1574 the General Fund as a dedicated credit to be used solely to promote the assistance  
1575 card program.  
1576
- 1577 (d) Funding for the program is nonlapsing.
- 1578 (4) Subject to Subsections (3)(b) and (c), the director shall use the money described in this  
1579 section to reimburse counties for all or a portion of each county's reimbursable base  
1580 expenses for search and rescue operations, subject to:
- 1581 (a) the approval of the Search and Rescue Advisory Board as provided in Section  
1582 53-2a-1104;  
1583 (b) money available in the program; and  
1584 (c) rules made under Subsection (7).
- 1585 (5) Money described in Subsection (3) may not be used to reimburse for any paid personnel  
1586 costs or paid man hours spent in emergency response and search and rescue related  
1587 activities.
- 1588 (6) The Legislature finds that these funds are for a general and statewide public purpose.
- 1589 (7) The division, with the approval of the Search and Rescue Advisory Board, shall make  
1590 rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
1591 and consistent with this section:
- 1592 (a) specifying the costs that qualify as reimbursable base expenses;  
1593 (b) defining the procedures of counties to submit expenses and be reimbursed;

- 1594 (c) defining a participant in the assistance card program, including:  
1595 (i) individuals; and  
1596 (ii) families and organized groups who qualify as participants;
- 1597 (d) defining the procedure for issuing a card to a participant;  
1598 (e) defining excluded expenses that may not be reimbursed under the program, including  
1599 medical expenses;
- 1600 (f) establishing the card renewal cycle for the Utah Search and Rescue Assistance Card  
1601 Program;
- 1602 (g) establishing the frequency of review of the fee schedule;  
1603 (h) providing for the administration of the program; and  
1604 (i) providing a formula to govern the distribution of available money among the counties  
1605 for uncompensated search and rescue expenses based on:  
1606 (i) the total qualifying expenses submitted;  
1607 (ii) the number of search and rescue incidents per county population;  
1608 (iii) the number of victims that reside outside the county; and  
1609 (iv) the number of volunteer hours spent in each county in emergency response and  
1610 search and rescue related activities per county population.
- 1611 (8)(a) The division shall, in consultation with the Division of Outdoor Recreation,  
1612 establish the fee schedule of the Utah Search and Rescue Assistance Card Program  
1613 under Subsection 63J-1-504(7).
- 1614 (b) The division shall provide a discount of not less than 10% of the card fee under  
1615 Subsection (8)(a) to a person who has paid a fee under Section 23A-4-209, 41-22-34,  
1616 or 73-18-24 during the same calendar year in which the person applies to be a  
1617 participant in the assistance card program.
- 1618 (9) Counties may not bill reimbursable base expenses to an individual for costs incurred for  
1619 the rescue of an individual, if the individual is a current participant in the Utah Search  
1620 and Rescue Assistance Card Program at the time of rescue, unless:  
1621 (a) the rescuing county finds that the participant acted recklessly in creating a situation  
1622 resulting in the need for the county to provide rescue services; or  
1623 (b) the rescuing county finds that the participant intentionally created a situation  
1624 resulting in the need for the county to provide rescue services.
- 1625 (10)(a) There is created the Utah Search and Rescue Assistance Card Program. The  
1626 program is located within the division.
- 1627 (b) The program may not be used to cover any expenses, such as medically related



- 1628 expenses, that are not reimbursable base expenses related to the rescue.
- 1629 (11)(a) To participate in the program, a person shall purchase a search and rescue  
 1630 assistance card from the division by paying the fee as determined by the division in  
 1631 Subsection (8).
- 1632 (b) The money generated by the fees shall be deposited into the General Fund as a  
 1633 dedicated credit for the Search and Rescue Financial Assistance Program created in  
 1634 this section.
- 1635 (c) Participation and payment of fees by a person under Sections 23A-4-209, 41-22-34,  
 1636 and 73-18-24 do not constitute purchase of a card under this section.
- 1637 (12) The division shall consult with the Division of Outdoor Recreation regarding:
- 1638 (a) administration of the assistance card program; and  
 1639 (b) outreach and marketing strategies.
- 1640 (13) Pursuant to Subsection 31A-1-103(7), the Utah Search and Rescue Assistance Card  
 1641 Program under this section is exempt from being considered insurance as that term is  
 1642 defined in Section 31A-1-301.

1643 Section 17. Section **59-12-102** is amended to read:

1644 **59-12-102 (Effective 07/01/26). Definitions.**

1645 As used in this chapter:

- 1646 (1) "800 service" means a telecommunications service that:
- 1647 (a) allows a caller to dial a toll-free number without incurring a charge for the call; and  
 1648 (b) is typically marketed:
- 1649 (i) under the name 800 toll-free calling;  
 1650 (ii) under the name 855 toll-free calling;  
 1651 (iii) under the name 866 toll-free calling;  
 1652 (iv) under the name 877 toll-free calling;  
 1653 (v) under the name 888 toll-free calling; or  
 1654 (vi) under a name similar to Subsections (1)(b)(i) through (v) as designated by the  
 1655 Federal Communications Commission.
- 1656 (2)(a) "900 service" means an inbound toll telecommunications service that:
- 1657 (i) a subscriber purchases;  
 1658 (ii) allows a customer of the subscriber described in Subsection (2)(a)(i) to call in to  
 1659 the subscriber's:  
 1660 (A) prerecorded announcement; or  
 1661 (B) live service; and

- 1662 (iii) is typically marketed:
- 1663 (A) under the name 900 service; or
- 1664 (B) under a name similar to Subsection (2)(a)(iii)(A) as designated by the Federal
- 1665 Communications Commission.
- 1666 (b) "900 service" does not include a charge for:
- 1667 (i) a collection service a seller of a telecommunications service provides to a
- 1668 subscriber; or
- 1669 (ii) the following a subscriber sells to the subscriber's customer:
- 1670 (A) a product; or
- 1671 (B) a service.
- 1672 (3)(a) "Admission or user fees" includes season passes.
- 1673 (b) "Admission or user fees" does not include:
- 1674 (i) annual membership dues to private organizations; or
- 1675 (ii) a lesson, including a lesson that involves as part of the lesson equipment or a
- 1676 facility listed in Subsection 59-12-103(1)(f).
- 1677 (4) "Affiliate" or "affiliated person" means a person that, with respect to another person:
- 1678 (a) has an ownership interest of more than 5%, whether direct or indirect, in that other
- 1679 person; or
- 1680 (b) is related to the other person because a third person, or a group of third persons who
- 1681 are affiliated persons with respect to each other, holds an ownership interest of more
- 1682 than 5%, whether direct or indirect, in the related persons.
- 1683 (5) "Agreement" means the Streamlined Sales and Use Tax Agreement adopted on
- 1684 November 12, 2002, including amendments made to the Streamlined Sales and Use Tax
- 1685 Agreement after November 12, 2002.
- 1686 (6) "Agreement combined tax rate" means the sum of the tax rates:
- 1687 (a) listed under Subsection (7); and
- 1688 (b) that are imposed within a local taxing jurisdiction.
- 1689 (7) "Agreement sales and use tax" means a tax imposed under:
- 1690 (a) Subsection 59-12-103(2)(a)(i)(A);
- 1691 (b) Subsection 59-12-103(2)(a)(i)(B);
- 1692 [~~(b)~~] (c) Subsection 59-12-103(2)(b)(i);
- 1693 [~~(c)~~] (d) Subsection 59-12-103(2)(c)(i);
- 1694 [~~(d)~~] (e) Subsection 59-12-103(2)(d);
- 1695 [~~(e)~~] (f) Subsection 59-12-103(2)(e)(i)(A)[~~(f)~~];

- 1696        [~~f~~] (g) Section 59-12-204;
- 1697        [~~g~~] (h) Section 59-12-401;
- 1698        [~~h~~] (i) Section 59-12-402;
- 1699        [~~i~~] (j) Section 59-12-402.1;
- 1700        [~~j~~] (k) Section 59-12-703;
- 1701        [~~k~~] (l) Section 59-12-802;
- 1702        [~~l~~] (m) Section 59-12-804;
- 1703        [~~m~~] (n) Section 59-12-1102;
- 1704        [~~n~~] (o) Section 59-12-1302;
- 1705        [~~o~~] (p) Section 59-12-1402;
- 1706        [~~p~~] (q) Section 59-12-1802;
- 1707        [~~q~~] (r) Section 59-12-2003;
- 1708        [~~r~~] (s) Section 59-12-2103;
- 1709        [~~s~~] (t) Section 59-12-2213;
- 1710        [~~t~~] (u) Section 59-12-2214;
- 1711        [~~u~~] (v) Section 59-12-2215;
- 1712        [~~v~~] (w) Section 59-12-2216;
- 1713        [~~w~~] (x) Section 59-12-2217;
- 1714        [~~x~~] (y) Section 59-12-2218;
- 1715        [~~y~~] (z) Section 59-12-2219; or
- 1716        [~~z~~] (aa) Section 59-12-2220.
- 1717        (8) "Aircraft" means the same as that term is defined in Section 72-10-102.
- 1718        (9) "Aircraft maintenance, repair, and overhaul provider" means a business entity:
- 1719            (a) except for:
- 1720                (i) an airline as defined in Section 59-2-102; or
- 1721                (ii) an affiliated group, as defined in Section 59-7-101, except that "affiliated group"
- 1722                        includes a corporation that is qualified to do business but is not otherwise doing
- 1723                        business in the state, of an airline; and
- 1724            (b) that has the workers, expertise, and facilities to perform the following, regardless of
- 1725                        whether the business entity performs the following in this state:
- 1726                (i) check, diagnose, overhaul, and repair:
- 1727                        (A) an onboard system of a fixed wing turbine powered aircraft; and
- 1728                        (B) the parts that comprise an onboard system of a fixed wing turbine powered
- 1729                        aircraft;

- 1730 (ii) assemble, change, dismantle, inspect, and test a fixed wing turbine powered  
1731 aircraft engine;
- 1732 (iii) perform at least the following maintenance on a fixed wing turbine powered  
1733 aircraft:
- 1734 (A) an inspection;
- 1735 (B) a repair, including a structural repair or modification;
- 1736 (C) changing landing gear; and
- 1737 (D) addressing issues related to an aging fixed wing turbine powered aircraft;
- 1738 (iv) completely remove the existing paint of a fixed wing turbine powered aircraft  
1739 and completely apply new paint to the fixed wing turbine powered aircraft; and
- 1740 (v) refurbish the interior of a fixed wing turbine powered aircraft in a manner that  
1741 results in a change in the fixed wing turbine powered aircraft's certification  
1742 requirements by the authority that certifies the fixed wing turbine powered aircraft.
- 1743 (10) "Alcoholic beverage" means a beverage that:
- 1744 (a) is suitable for human consumption; and
- 1745 (b) contains .5% or more alcohol by volume.
- 1746 (11) "Alternative energy" means:
- 1747 (a) biomass energy;
- 1748 (b) geothermal energy;
- 1749 (c) hydroelectric energy;
- 1750 (d) solar energy;
- 1751 (e) wind energy; or
- 1752 (f) energy that is derived from:
- 1753 (i) coal-to-liquids;
- 1754 (ii) nuclear fuel;
- 1755 (iii) oil-impregnated diatomaceous earth;
- 1756 (iv) oil sands;
- 1757 (v) oil shale;
- 1758 (vi) petroleum coke; or
- 1759 (vii) waste heat from:
- 1760 (A) an industrial facility; or
- 1761 (B) a power station in which an electric generator is driven through a process in  
1762 which water is heated, turns into steam, and spins a steam turbine.
- 1763 (12)(a) Subject to Subsection (12)(b), "alternative energy electricity production facility"

- 1764 means a facility that:
- 1765 (i) uses alternative energy to produce electricity; and
- 1766 (ii) has a production capacity of two megawatts or greater.
- 1767 (b) A facility is an alternative energy electricity production facility regardless of whether
- 1768 the facility is:
- 1769 (i) connected to an electric grid; or
- 1770 (ii) located on the premises of an electricity consumer.
- 1771 (13)(a) "Ancillary service" means a service associated with, or incidental to, the
- 1772 provision of telecommunications service.
- 1773 (b) "Ancillary service" includes:
- 1774 (i) a conference bridging service;
- 1775 (ii) a detailed communications billing service;
- 1776 (iii) directory assistance;
- 1777 (iv) a vertical service; or
- 1778 (v) a voice mail service.
- 1779 (14) "Area agency on aging" means the same as that term is defined in Section 26B-6-101.
- 1780 (15) "Assisted amusement device" means an amusement device, skill device, or ride device
- 1781 that is started and stopped by an individual:
- 1782 (a) who is not the purchaser or renter of the right to use or operate the amusement
- 1783 device, skill device, or ride device; and
- 1784 (b) at the direction of the seller of the right to use the amusement device, skill device, or
- 1785 ride device.
- 1786 (16) "Assisted cleaning or washing of tangible personal property" means cleaning or
- 1787 washing of tangible personal property if the cleaning or washing labor is primarily
- 1788 performed by an individual:
- 1789 (a) who is not the purchaser of the cleaning or washing of the tangible personal property;
- 1790 and
- 1791 (b) at the direction of the seller of the cleaning or washing of the tangible personal
- 1792 property.
- 1793 (17) "Authorized carrier" means:
- 1794 (a) in the case of vehicles operated over public highways, the holder of credentials
- 1795 indicating that the vehicle is or will be operated pursuant to both the International
- 1796 Registration Plan and the International Fuel Tax Agreement;
- 1797 (b) in the case of aircraft, the holder of a Federal Aviation Administration operating

- 1798 certificate or air carrier's operating certificate; or
- 1799 (c) in the case of locomotives, freight cars, railroad work equipment, or other rolling
- 1800 stock, a person who uses locomotives, freight cars, railroad work equipment, or other
- 1801 rolling stock in more than one state.
- 1802 (18)(a) "Biomass energy" means any of the following that is used as the primary source
- 1803 of energy to produce fuel or electricity:
- 1804 (i) material from a plant or tree; or
- 1805 (ii) other organic matter that is available on a renewable basis, including:
- 1806 (A) slash and brush from forests and woodlands;
- 1807 (B) animal waste;
- 1808 (C) waste vegetable oil;
- 1809 (D) methane or synthetic gas produced at a landfill, as a byproduct of the
- 1810 treatment of wastewater residuals, or through the conversion of a waste
- 1811 material through a nonincineration, thermal conversion process;
- 1812 (E) aquatic plants; and
- 1813 (F) agricultural products.
- 1814 (b) "Biomass energy" does not include:
- 1815 (i) black liquor; or
- 1816 (ii) treated woods.
- 1817 (19)(a) "Bundled transaction" means the sale of two or more items of tangible personal
- 1818 property, products, or services if the tangible personal property, products, or services
- 1819 are:
- 1820 (i) distinct and identifiable; and
- 1821 (ii) sold for one nonitemized price.
- 1822 (b) "Bundled transaction" does not include:
- 1823 (i) the sale of tangible personal property if the sales price varies, or is negotiable, on
- 1824 the basis of the selection by the purchaser of the items of tangible personal
- 1825 property included in the transaction;
- 1826 (ii) the sale of real property;
- 1827 (iii) the sale of services to real property;
- 1828 (iv) the retail sale of tangible personal property and a service if:
- 1829 (A) the tangible personal property:
- 1830 (I) is essential to the use of the service; and
- 1831 (II) is provided exclusively in connection with the service; and

- 1832 (B) the service is the true object of the transaction;
- 1833 (v) the retail sale of two services if:
- 1834 (A) one service is provided that is essential to the use or receipt of a second
- 1835 service;
- 1836 (B) the first service is provided exclusively in connection with the second service;
- 1837 and
- 1838 (C) the second service is the true object of the transaction;
- 1839 (vi) a transaction that includes tangible personal property or a product subject to
- 1840 taxation under this chapter and tangible personal property or a product that is not
- 1841 subject to taxation under this chapter if the:
- 1842 (A) seller's purchase price of the tangible personal property or product subject to
- 1843 taxation under this chapter is de minimis; or
- 1844 (B) seller's sales price of the tangible personal property or product subject to
- 1845 taxation under this chapter is de minimis; and
- 1846 (vii) the retail sale of tangible personal property that is not subject to taxation under
- 1847 this chapter and tangible personal property that is subject to taxation under this
- 1848 chapter if:
- 1849 (A) that retail sale includes:
- 1850 (I) food and food ingredients;
- 1851 (II) a drug;
- 1852 (III) durable medical equipment;
- 1853 (IV) mobility enhancing equipment;
- 1854 (V) an over-the-counter drug;
- 1855 (VI) a prosthetic device; or
- 1856 (VII) a medical supply; and
- 1857 (B) subject to Subsection (19)(f):
- 1858 (I) the seller's purchase price of the tangible personal property subject to
- 1859 taxation under this chapter is 50% or less of the seller's total purchase price
- 1860 of that retail sale; or
- 1861 (II) the seller's sales price of the tangible personal property subject to taxation
- 1862 under this chapter is 50% or less of the seller's total sales price of that retail
- 1863 sale.
- 1864 (c)(i) For purposes of Subsection (19)(a)(i), tangible personal property, a product, or
- 1865 a service that is distinct and identifiable does not include:

- 1866 (A) packaging that:
- 1867 (I) accompanies the sale of the tangible personal property, product, or service;
- 1868 and
- 1869 (II) is incidental or immaterial to the sale of the tangible personal property,
- 1870 product, or service;
- 1871 (B) tangible personal property, a product, or a service provided free of charge with
- 1872 the purchase of another item of tangible personal property, a product, or a
- 1873 service; or
- 1874 (C) an item of tangible personal property, a product, or a service included in the
- 1875 definition of "purchase price."
- 1876 (ii) For purposes of Subsection (19)(c)(i)(B), an item of tangible personal property, a
- 1877 product, or a service is provided free of charge with the purchase of another item
- 1878 of tangible personal property, a product, or a service if the sales price of the
- 1879 purchased item of tangible personal property, product, or service does not vary
- 1880 depending on the inclusion of the tangible personal property, product, or service
- 1881 provided free of charge.
- 1882 (d)(i) For purposes of Subsection (19)(a)(ii), property sold for one nonitemized price
- 1883 does not include a price that is separately identified by tangible personal property,
- 1884 product, or service on the following, regardless of whether the following is in
- 1885 paper format or electronic format:
- 1886 (A) a binding sales document; or
- 1887 (B) another supporting sales-related document that is available to a purchaser.
- 1888 (ii) For purposes of Subsection (19)(d)(i), a binding sales document or another
- 1889 supporting sales-related document that is available to a purchaser includes:
- 1890 (A) a bill of sale;
- 1891 (B) a contract;
- 1892 (C) an invoice;
- 1893 (D) a lease agreement;
- 1894 (E) a periodic notice of rates and services;
- 1895 (F) a price list;
- 1896 (G) a rate card;
- 1897 (H) a receipt; or
- 1898 (I) a service agreement.
- 1899 (e)(i) For purposes of Subsection (19)(b)(vi), the sales price of tangible personal



- 1900 property or a product subject to taxation under this chapter is de minimis if:
- 1901 (A) the seller's purchase price of the tangible personal property or product is 10%
- 1902 or less of the seller's total purchase price of the bundled transaction; or
- 1903 (B) the seller's sales price of the tangible personal property or product is 10% or
- 1904 less of the seller's total sales price of the bundled transaction.
- 1905 (ii) For purposes of Subsection (19)(b)(vi), a seller:
- 1906 (A) shall use the seller's purchase price or the seller's sales price to determine if
- 1907 the purchase price or sales price of the tangible personal property or product
- 1908 subject to taxation under this chapter is de minimis; and
- 1909 (B) may not use a combination of the seller's purchase price and the seller's sales
- 1910 price to determine if the purchase price or sales price of the tangible personal
- 1911 property or product subject to taxation under this chapter is de minimis.
- 1912 (iii) For purposes of Subsection (19)(b)(vi), a seller shall use the full term of a service
- 1913 contract to determine if the sales price of tangible personal property or a product is
- 1914 de minimis.
- 1915 (f) For purposes of Subsection (19)(b)(vii)(B), a seller may not use a combination of the
- 1916 seller's purchase price and the seller's sales price to determine if tangible personal
- 1917 property subject to taxation under this chapter is 50% or less of the seller's total
- 1918 purchase price or sales price of that retail sale.
- 1919 (20) "Car sharing" means the same as that term is defined in Section 13-48a-101.
- 1920 (21) "Car-sharing program" means the same as that term is defined in Section 13-48a-101.
- 1921 (22) "Certified automated system" means software certified by the governing board of the
- 1922 agreement that:
- 1923 (a) calculates the agreement sales and use tax imposed within a local taxing jurisdiction:
- 1924 (i) on a transaction; and
- 1925 (ii) in the states that are members of the agreement;
- 1926 (b) determines the amount of agreement sales and use tax to remit to a state that is a
- 1927 member of the agreement; and
- 1928 (c) maintains a record of the transaction described in Subsection (22)(a)(i).
- 1929 (23) "Certified service provider" means an agent certified:
- 1930 (a) by the governing board of the agreement; and
- 1931 (b) to perform a seller's sales and use tax functions for an agreement sales and use tax, as
- 1932 outlined in the contract between the governing board of the agreement and the
- 1933 certified service provider, other than the seller's obligation under Section 59-12-124

- 1934 to remit a tax on the seller's own purchases.
- 1935 (24)(a) Subject to Subsection (24)(b), "clothing" means all human wearing apparel  
1936 suitable for general use.
- 1937 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1938 commission shall make rules:
- 1939 (i) listing the items that constitute "clothing"; and  
1940 (ii) that are consistent with the list of items that constitute "clothing" under the  
1941 agreement.
- 1942 (25) "Coal-to-liquid" means the process of converting coal into a liquid synthetic fuel.
- 1943 (26) "Commercial use" means the use of gas, electricity, heat, coal, fuel oil, or other fuels  
1944 that does not constitute industrial use under Subsection (60) or residential use under  
1945 Subsection (115).
- 1946 (27)(a) "Common carrier" means a person engaged in or transacting the business of  
1947 transporting passengers, freight, merchandise, or other property for hire within this  
1948 state.
- 1949 (b)(i) "Common carrier" does not include a person that, at the time the person is  
1950 traveling to or from that person's place of employment, transports a passenger to  
1951 or from the passenger's place of employment.
- 1952 (ii) For purposes of Subsection (27)(b)(i), in accordance with Title 63G, Chapter 3,  
1953 Utah Administrative Rulemaking Act, the commission may make rules defining  
1954 what constitutes a person's place of employment.
- 1955 (c) "Common carrier" does not include a person that provides transportation network  
1956 services, as defined in Section 13-51-102.
- 1957 (28) "Component part" includes:
- 1958 (a) poultry, dairy, and other livestock feed, and their components;  
1959 (b) baling ties and twine used in the baling of hay and straw;  
1960 (c) fuel used for providing temperature control of orchards and commercial greenhouses  
1961 doing a majority of their business in wholesale sales, and for providing power for  
1962 off-highway type farm machinery; and  
1963 (d) feed, seeds, and seedlings.
- 1964 (29) "Computer" means an electronic device that accepts information:
- 1965 (a)(i) in digital form; or  
1966 (ii) in a form similar to digital form; and  
1967 (b) manipulates that information for a result based on a sequence of instructions.

- 1968 (30) "Computer software" means a set of coded instructions designed to cause:  
1969 (a) a computer to perform a task; or  
1970 (b) automatic data processing equipment to perform a task.
- 1971 (31) "Computer software maintenance contract" means a contract that obligates a seller of  
1972 computer software to provide a customer with:  
1973 (a) future updates or upgrades to computer software;  
1974 (b) support services with respect to computer software; or  
1975 (c) a combination of Subsections (31)(a) and (b).
- 1976 (32)(a) "Conference bridging service" means an ancillary service that links two or more  
1977 participants of an audio conference call or video conference call.  
1978 (b) "Conference bridging service" may include providing a telephone number as part of  
1979 the ancillary service described in Subsection (32)(a).  
1980 (c) "Conference bridging service" does not include a telecommunications service used to  
1981 reach the ancillary service described in Subsection (32)(a).
- 1982 (33) "Construction materials" means any tangible personal property that will be converted  
1983 into real property.
- 1984 (34) "Delivered electronically" means delivered to a purchaser by means other than tangible  
1985 storage media.
- 1986 (35)(a) "Delivery charge" means a charge:  
1987 (i) by a seller of:  
1988 (A) tangible personal property;  
1989 (B) a product transferred electronically; or  
1990 (C) a service; and  
1991 (ii) for preparation and delivery of the tangible personal property, product transferred  
1992 electronically, or services described in Subsection (35)(a)(i) to a location  
1993 designated by the purchaser.
- 1994 (b) "Delivery charge" includes a charge for the following:  
1995 (i) transportation;  
1996 (ii) shipping;  
1997 (iii) postage;  
1998 (iv) handling;  
1999 (v) crating; or  
2000 (vi) packing.
- 2001 (36) "Detailed telecommunications billing service" means an ancillary service of separately

- 2002 stating information pertaining to individual calls on a customer's billing statement.
- 2003 (37) "Dietary supplement" means a product, other than tobacco, that:
- 2004 (a) is intended to supplement the diet;
- 2005 (b) contains one or more of the following dietary ingredients:
- 2006 (i) a vitamin;
- 2007 (ii) a mineral;
- 2008 (iii) an herb or other botanical;
- 2009 (iv) an amino acid;
- 2010 (v) a dietary substance for use by humans to supplement the diet by increasing the
- 2011 total dietary intake; or
- 2012 (vi) a concentrate, metabolite, constituent, extract, or combination of any ingredient
- 2013 described in Subsections (37)(b)(i) through (v);
- 2014 (c)(i) except as provided in Subsection (37)(c)(ii), is intended for ingestion in:
- 2015 (A) tablet form;
- 2016 (B) capsule form;
- 2017 (C) powder form;
- 2018 (D) softgel form;
- 2019 (E) gelcap form; or
- 2020 (F) liquid form; or
- 2021 (ii) if the product is not intended for ingestion in a form described in Subsections
- 2022 (37)(c)(i)(A) through (F), is not represented:
- 2023 (A) as conventional food; and
- 2024 (B) for use as a sole item of:
- 2025 (I) a meal; or
- 2026 (II) the diet; and
- 2027 (d) is required to be labeled as a dietary supplement:
- 2028 (i) identifiable by the "Supplemental Facts" box found on the label; and
- 2029 (ii) as required by 21 C.F.R. Sec. 101.36.
- 2030 (38)(a) "Digital audio work" means a work that results from the fixation of a series of
- 2031 musical, spoken, or other sounds.
- 2032 (b) "Digital audio work" includes a ringtone.
- 2033 (39) "Digital audio-visual work" means a series of related images which, when shown in
- 2034 succession, imparts an impression of motion, together with accompanying sounds, if any.
- 2035 (40) "Digital book" means a work that is generally recognized in the ordinary and usual

- 2036 sense as a book.
- 2037 (41)(a) "Direct mail" means printed material delivered or distributed by United States  
2038 mail or other delivery service:
- 2039 (i) to:
- 2040 (A) a mass audience; or
- 2041 (B) addressees on a mailing list provided:
- 2042 (I) by a purchaser of the mailing list; or
- 2043 (II) at the discretion of the purchaser of the mailing list; and
- 2044 (ii) if the cost of the printed material is not billed directly to the recipients.
- 2045 (b) "Direct mail" includes tangible personal property supplied directly or indirectly by a  
2046 purchaser to a seller of direct mail for inclusion in a package containing the printed  
2047 material.
- 2048 (c) "Direct mail" does not include multiple items of printed material delivered to a single  
2049 address.
- 2050 (42) "Directory assistance" means an ancillary service of providing:
- 2051 (a) address information; or
- 2052 (b) telephone number information.
- 2053 (43)(a) "Disposable home medical equipment or supplies" means medical equipment or  
2054 supplies that:
- 2055 (i) cannot withstand repeated use; and
- 2056 (ii) are purchased by, for, or on behalf of a person other than:
- 2057 (A) a health care facility as defined in Section 26B-2-201;
- 2058 (B) a health care provider as defined in Section 78B-3-403;
- 2059 (C) an office of a health care provider described in Subsection (43)(a)(ii)(B); or
- 2060 (D) a person similar to a person described in Subsections (43)(a)(ii)(A) through  
2061 (C).
- 2062 (b) "Disposable home medical equipment or supplies" does not include:
- 2063 (i) a drug;
- 2064 (ii) durable medical equipment;
- 2065 (iii) a hearing aid;
- 2066 (iv) a hearing aid accessory;
- 2067 (v) mobility enhancing equipment; or
- 2068 (vi) tangible personal property used to correct impaired vision, including:  
2069 (A) eyeglasses; or

- 2070 (B) contact lenses.
- 2071 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2072 commission may by rule define what constitutes medical equipment or supplies.
- 2073 (44) "Drilling equipment manufacturer" means a facility:
- 2074 (a) located in the state;
- 2075 (b) with respect to which 51% or more of the manufacturing activities of the facility  
2076 consist of manufacturing component parts of drilling equipment;
- 2077 (c) that uses pressure of 800,000 or more pounds per square inch as part of the  
2078 manufacturing process; and
- 2079 (d) that uses a temperature of 2,000 or more degrees Fahrenheit as part of the  
2080 manufacturing process.
- 2081 (45)(a) "Drug" means a compound, substance, or preparation, or a component of a  
2082 compound, substance, or preparation that is:
- 2083 (i) recognized in:
- 2084 (A) the official United States Pharmacopoeia;
- 2085 (B) the official Homeopathic Pharmacopoeia of the United States;
- 2086 (C) the official National Formulary; or
- 2087 (D) a supplement to a publication listed in Subsections (45)(a)(i)(A) through (C);
- 2088 (ii) intended for use in the:
- 2089 (A) diagnosis of disease;
- 2090 (B) cure of disease;
- 2091 (C) mitigation of disease;
- 2092 (D) treatment of disease; or
- 2093 (E) prevention of disease; or
- 2094 (iii) intended to affect:
- 2095 (A) the structure of the body; or
- 2096 (B) any function of the body.
- 2097 (b) "Drug" does not include:
- 2098 (i) food and food ingredients;
- 2099 (ii) a dietary supplement;
- 2100 (iii) an alcoholic beverage; or
- 2101 (iv) a prosthetic device.
- 2102 (46)(a) "Durable medical equipment" means equipment that:
- 2103 (i) can withstand repeated use;

- 2104 (ii) is primarily and customarily used to serve a medical purpose;
- 2105 (iii) generally is not useful to a person in the absence of illness or injury; and
- 2106 (iv) is not worn in or on the body.
- 2107 (b) "Durable medical equipment" includes parts used in the repair or replacement of the
- 2108 equipment described in Subsection (46)(a).
- 2109 (c) "Durable medical equipment" does not include mobility enhancing equipment.
- 2110 (47) "Electronic" means:
- 2111 (a) relating to technology; and
- 2112 (b) having:
- 2113 (i) electrical capabilities;
- 2114 (ii) digital capabilities;
- 2115 (iii) magnetic capabilities;
- 2116 (iv) wireless capabilities;
- 2117 (v) optical capabilities;
- 2118 (vi) electromagnetic capabilities; or
- 2119 (vii) capabilities similar to Subsections (47)(b)(i) through (vi).
- 2120 (48) "Electronic financial payment service" means an establishment:
- 2121 (a) within NAICS Code 522320, Financial Transactions Processing, Reserve, and
- 2122 Clearinghouse Activities, of the 2012 North American Industry Classification System
- 2123 of the federal Executive Office of the President, Office of Management and Budget;
- 2124 and
- 2125 (b) that performs electronic financial payment services.
- 2126 (49) "Employee" means the same as that term is defined in Section 59-10-401.
- 2127 (50) "Fixed guideway" means a public transit facility that uses and occupies:
- 2128 (a) rail for the use of public transit; or
- 2129 (b) a separate right-of-way for the use of public transit.
- 2130 (51) "Fixed wing turbine powered aircraft" means an aircraft that:
- 2131 (a) is powered by turbine engines;
- 2132 (b) operates on jet fuel; and
- 2133 (c) has wings that are permanently attached to the fuselage of the aircraft.
- 2134 (52) "Fixed wireless service" means a telecommunications service that provides radio
- 2135 communication between fixed points.
- 2136 (53)(a) "Food and food ingredients" means substances:
- 2137 (i) regardless of whether the substances are in:

- 2138 (A) liquid form;
- 2139 (B) concentrated form;
- 2140 (C) solid form;
- 2141 (D) frozen form;
- 2142 (E) dried form; or
- 2143 (F) dehydrated form; and
- 2144 (ii) that are:
- 2145 (A) sold for:
- 2146 (I) ingestion by humans; or
- 2147 (II) chewing by humans; and
- 2148 (B) consumed for the substance's:
- 2149 (I) taste; or
- 2150 (II) nutritional value.
- 2151 (b) "Food and food ingredients" includes an item described in Subsection (99)(b)(iii).
- 2152 (c) "Food and food ingredients" does not include:
- 2153 (i) an alcoholic beverage;
- 2154 (ii) tobacco; or
- 2155 (iii) prepared food.
- 2156 (54)(a) "Fundraising sales" means sales:
- 2157 (i)(A) made by a school; or
- 2158 (B) made by a school student;
- 2159 (ii) that are for the purpose of raising funds for the school to purchase equipment,
- 2160 materials, or provide transportation; and
- 2161 (iii) that are part of an officially sanctioned school activity.
- 2162 (b) For purposes of Subsection (54)(a)(iii), "officially sanctioned school activity" means
- 2163 a school activity:
- 2164 (i) that is conducted in accordance with a formal policy adopted by the school or
- 2165 school district governing the authorization and supervision of fundraising
- 2166 activities;
- 2167 (ii) that does not directly or indirectly compensate an individual teacher or other
- 2168 educational personnel by direct payment, commissions, or payment in kind; and
- 2169 (iii) the net or gross revenue from which is deposited in a dedicated account
- 2170 controlled by the school or school district.
- 2171 (55) "Geothermal energy" means energy contained in heat that continuously flows outward



- 2172 from the earth that is used as the sole source of energy to produce electricity.
- 2173 (56) "Governing board of the agreement" means the governing board of the agreement that  
2174 is:
- 2175 (a) authorized to administer the agreement; and  
2176 (b) established in accordance with the agreement.
- 2177 (57)(a) For purposes of Subsection 59-12-104(41), "governmental entity" means:
- 2178 (i) the executive branch of the state, including all departments, institutions, boards,  
2179 divisions, bureaus, offices, commissions, and committees;
- 2180 (ii) the judicial branch of the state, including the courts, the Judicial Council, the  
2181 Administrative Office of the Courts, and similar administrative units in the  
2182 judicial branch;
- 2183 (iii) the legislative branch of the state, including the House of Representatives, the  
2184 Senate, the Legislative Printing Office, the Office of Legislative Research and  
2185 General Counsel, the Office of the Legislative Auditor General, and the Office of  
2186 the Legislative Fiscal Analyst;
- 2187 (iv) the National Guard;
- 2188 (v) an independent entity as defined in Section 63E-1-102; or  
2189 (vi) a political subdivision as defined in Section 17B-1-102.
- 2190 (b) "Governmental entity" does not include the state systems of public and higher  
2191 education, including:
- 2192 (i) a school;
- 2193 (ii) the State Board of Education;
- 2194 (iii) the Utah Board of Higher Education; or  
2195 (iv) an institution of higher education described in Section 53B-1-102.
- 2196 (58) "Hydroelectric energy" means water used as the sole source of energy to produce  
2197 electricity.
- 2198 (59) "Individual-owned shared vehicle" means the same as that term is defined in Section  
2199 13-48a-101.
- 2200 (60) "Industrial use" means the use of natural gas, electricity, heat, coal, fuel oil, or other  
2201 fuels:
- 2202 (a) in mining or extraction of minerals;
- 2203 (b) in agricultural operations to produce an agricultural product up to the time of harvest  
2204 or placing the agricultural product into a storage facility, including:
- 2205 (i) commercial greenhouses;

- 2206 (ii) irrigation pumps;
- 2207 (iii) farm machinery;
- 2208 (iv) implements of husbandry as defined in Section 41-1a-102 that are not registered
- 2209 under Title 41, Chapter 1a, Part 2, Registration; and
- 2210 (v) other farming activities;
- 2211 (c) in manufacturing tangible personal property at an establishment described in:
- 2212 (i) SIC Codes 2000 to 3999 of the 1987 Standard Industrial Classification Manual of
- 2213 the federal Executive Office of the President, Office of Management and Budget;
- 2214 or
- 2215 (ii) a NAICS code within NAICS Sector 31-33, Manufacturing, of the 2017 North
- 2216 American Industry Classification System of the federal Executive Office of the
- 2217 President, Office of Management and Budget;
- 2218 (d) by a scrap recycler if:
- 2219 (i) from a fixed location, the scrap recycler utilizes machinery or equipment to
- 2220 process one or more of the following items into prepared grades of processed
- 2221 materials for use in new products:
- 2222 (A) iron;
- 2223 (B) steel;
- 2224 (C) nonferrous metal;
- 2225 (D) paper;
- 2226 (E) glass;
- 2227 (F) plastic;
- 2228 (G) textile; or
- 2229 (H) rubber; and
- 2230 (ii) the new products under Subsection (60)(d)(i) would otherwise be made with
- 2231 nonrecycled materials; or
- 2232 (e) in producing a form of energy or steam described in Subsection 54-2-1(3)(a) by a
- 2233 cogeneration facility as defined in Section 54-2-1.
- 2234 (61)(a) "Installation charge" means a charge for installing:
- 2235 (i) tangible personal property; or
- 2236 (ii) a product transferred electronically.
- 2237 (b) "Installation charge" does not include a charge for:
- 2238 (i) repairs or renovations of:
- 2239 (A) tangible personal property; or

- 2240 (B) a product transferred electronically; or
- 2241 (ii) attaching tangible personal property or a product transferred electronically:
- 2242 (A) to other tangible personal property; and
- 2243 (B) as part of a manufacturing or fabrication process.
- 2244 (62) "Institution of higher education" means an institution of higher education listed in
- 2245 Section 53B-2-101.
- 2246 (63)(a) "Lease" or "rental" means a transfer of possession or control of tangible personal
- 2247 property or a product transferred electronically for:
- 2248 (i)(A) a fixed term; or
- 2249 (B) an indeterminate term; and
- 2250 (ii) consideration.
- 2251 (b) "Lease" or "rental" includes:
- 2252 (i) an agreement covering a motor vehicle and trailer if the amount of consideration
- 2253 may be increased or decreased by reference to the amount realized upon sale or
- 2254 disposition of the property as defined in Section 7701(h)(1), Internal Revenue
- 2255 Code; and
- 2256 (ii) car sharing.
- 2257 (c) "Lease" or "rental" does not include:
- 2258 (i) a transfer of possession or control of property under a security agreement or
- 2259 deferred payment plan that requires the transfer of title upon completion of the
- 2260 required payments;
- 2261 (ii) a transfer of possession or control of property under an agreement that requires
- 2262 the transfer of title:
- 2263 (A) upon completion of required payments; and
- 2264 (B) if the payment of an option price does not exceed the greater of:
- 2265 (I) \$100; or
- 2266 (II) 1% of the total required payments; or
- 2267 (iii) providing tangible personal property along with an operator for a fixed period of
- 2268 time or an indeterminate period of time if the operator is necessary for equipment
- 2269 to perform as designed.
- 2270 (d) For purposes of Subsection (63)(c)(iii), an operator is necessary for equipment to
- 2271 perform as designed if the operator's duties exceed the:
- 2272 (i) set-up of tangible personal property;
- 2273 (ii) maintenance of tangible personal property; or

- 2274 (iii) inspection of tangible personal property.
- 2275 (64) "Lesson" means a fixed period of time for the duration of which a trained instructor:
- 2276 (a) is present with a student in person or by video; and
- 2277 (b) actively instructs the student, including by providing observation or feedback.
- 2278 (65) "Life science establishment" means an establishment in this state that is classified
- 2279 under the following NAICS codes of the 2007 North American Industry Classification
- 2280 System of the federal Executive Office of the President, Office of Management and
- 2281 Budget:
- 2282 (a) NAICS Code 33911, Medical Equipment and Supplies Manufacturing;
- 2283 (b) NAICS Code 334510, Electromedical and Electrotherapeutic Apparatus
- 2284 Manufacturing; or
- 2285 (c) NAICS Code 334517, Irradiation Apparatus Manufacturing.
- 2286 (66) "Life science research and development facility" means a facility owned, leased, or
- 2287 rented by a life science establishment if research and development is performed in 51%
- 2288 or more of the total area of the facility.
- 2289 (67) "Load and leave" means delivery to a purchaser by use of a tangible storage media if
- 2290 the tangible storage media is not physically transferred to the purchaser.
- 2291 (68) "Local taxing jurisdiction" means a:
- 2292 (a) county that is authorized to impose an agreement sales and use tax;
- 2293 (b) city that is authorized to impose an agreement sales and use tax; or
- 2294 (c) town that is authorized to impose an agreement sales and use tax.
- 2295 (69) "Manufactured home" means the same as that term is defined in Section 15A-1-302.
- 2296 (70) "Manufacturing facility" means:
- 2297 (a) an establishment described in:
- 2298 (i) SIC Codes 2000 to 3999 of the 1987 Standard Industrial Classification Manual of
- 2299 the federal Executive Office of the President, Office of Management and Budget;
- 2300 or
- 2301 (ii) a NAICS code within NAICS Sector 31-33, Manufacturing, of the 2017 North
- 2302 American Industry Classification System of the federal Executive Office of the
- 2303 President, Office of Management and Budget;
- 2304 (b) a scrap recycler if:
- 2305 (i) from a fixed location, the scrap recycler utilizes machinery or equipment to
- 2306 process one or more of the following items into prepared grades of processed
- 2307 materials for use in new products:

- 2308 (A) iron;
- 2309 (B) steel;
- 2310 (C) nonferrous metal;
- 2311 (D) paper;
- 2312 (E) glass;
- 2313 (F) plastic;
- 2314 (G) textile; or
- 2315 (H) rubber; and
- 2316 (ii) the new products under Subsection (70)(b)(i) would otherwise be made with
- 2317 nonrecycled materials; or
- 2318 (c) a cogeneration facility as defined in Section 54-2-1 if the cogeneration facility is
- 2319 placed in service on or after May 1, 2006.
- 2320 (71)(a) "Marketplace" means a physical or electronic place, platform, or forum where
- 2321 tangible personal property, a product transferred electronically, or a service is offered
- 2322 for sale.
- 2323 (b) "Marketplace" includes a store, a booth, an Internet website, a catalog, or a dedicated
- 2324 sales software application.
- 2325 (72)(a) "Marketplace facilitator" means a person, including an affiliate of the person,
- 2326 that enters into a contract, an agreement, or otherwise with sellers, for consideration,
- 2327 to facilitate the sale of a seller's product through a marketplace that the person owns,
- 2328 operates, or controls and that directly or indirectly:
- 2329 (i) does any of the following:
- 2330 (A) lists, makes available, or advertises tangible personal property, a product
- 2331 transferred electronically, or a service for sale by a marketplace seller on a
- 2332 marketplace that the person owns, operates, or controls;
- 2333 (B) facilitates the sale of a marketplace seller's tangible personal property, product
- 2334 transferred electronically, or service by transmitting or otherwise
- 2335 communicating an offer or acceptance of a retail sale between the marketplace
- 2336 seller and a purchaser using the marketplace;
- 2337 (C) owns, rents, licenses, makes available, or operates any electronic or physical
- 2338 infrastructure or any property, process, method, copyright, trademark, or patent
- 2339 that connects a marketplace seller to a purchaser for the purpose of making a
- 2340 retail sale of tangible personal property, a product transferred electronically, or
- 2341 a service;

- 2342 (D) provides a marketplace for making, or otherwise facilitates, a retail sale of  
2343 tangible personal property, a product transferred electronically, or a service,  
2344 regardless of ownership or control of the tangible personal property, the  
2345 product transferred electronically, or the service that is the subject of the retail  
2346 sale;
- 2347 (E) provides software development or research and development activities related  
2348 to any activity described in this Subsection (72)(a)(i), if the software  
2349 development or research and development activity is directly related to the  
2350 person's marketplace;
- 2351 (F) provides or offers fulfillment or storage services for a marketplace seller;
- 2352 (G) sets prices for the sale of tangible personal property, a product transferred  
2353 electronically, or a service by a marketplace seller;
- 2354 (H) provides or offers customer service to a marketplace seller or a marketplace  
2355 seller's purchaser or accepts or assists with taking orders, returns, or exchanges  
2356 of tangible personal property, a product transferred electronically, or a service  
2357 sold by a marketplace seller on the person's marketplace; or
- 2358 (I) brands or otherwise identifies sales as those of the person; and
- 2359 (ii) does any of the following:
- 2360 (A) collects the sales price or purchase price of a retail sale of tangible personal  
2361 property, a product transferred electronically, or a service;
- 2362 (B) provides payment processing services for a retail sale of tangible personal  
2363 property, a product transferred electronically, or a service;
- 2364 (C) charges, collects, or otherwise receives a selling fee, listing fee, referral fee,  
2365 closing fee, a fee for inserting or making available tangible personal property, a  
2366 product transferred electronically, or a service on the person's marketplace, or  
2367 other consideration for the facilitation of a retail sale of tangible personal  
2368 property, a product transferred electronically, or a service, regardless of  
2369 ownership or control of the tangible personal property, the product transferred  
2370 electronically, or the service that is the subject of the retail sale;
- 2371 (D) through terms and conditions, an agreement, or another arrangement with a  
2372 third person, collects payment from a purchase for a retail sale of tangible  
2373 personal property, a product transferred electronically, or a service and  
2374 transmits that payment to the marketplace seller, regardless of whether the  
2375 third person receives compensation or other consideration in exchange for the

- 2376 service; or
- 2377 (E) provides a virtual currency for a purchaser to use to purchase tangible personal
- 2378 property, a product transferred electronically, or service offered for sale.
- 2379 (b) "Marketplace facilitator" does not include:
- 2380 (i) a person that only provides payment processing services; or
- 2381 (ii) a person described in Subsection (72)(a) to the extent the person is facilitating a
- 2382 sale for a seller that is a restaurant as defined in Section 59-12-602.
- 2383 (73) "Marketplace seller" means a seller that makes one or more retail sales through a
- 2384 marketplace that a marketplace facilitator owns, operates, or controls, regardless of
- 2385 whether the seller is required to be registered to collect and remit the tax under this part.
- 2386 (74) "Member of the immediate family of the producer" means a person who is related to a
- 2387 producer described in Subsection 59-12-104(20)(a) as a:
- 2388 (a) child or stepchild, regardless of whether the child or stepchild is:
- 2389 (i) an adopted child or adopted stepchild; or
- 2390 (ii) a foster child or foster stepchild;
- 2391 (b) grandchild or stepgrandchild;
- 2392 (c) grandparent or stepgrandparent;
- 2393 (d) nephew or stepnephew;
- 2394 (e) niece or stepniece;
- 2395 (f) parent or stepparent;
- 2396 (g) sibling or stepsibling;
- 2397 (h) spouse;
- 2398 (i) person who is the spouse of a person described in Subsections (74)(a) through (g); or
- 2399 (j) person similar to a person described in Subsections (74)(a) through (i) as determined
- 2400 by the commission by rule made in accordance with Title 63G, Chapter 3, Utah
- 2401 Administrative Rulemaking Act.
- 2402 (75) "Mobile home" means the same as that term is defined in Section 15A-1-302.
- 2403 (76) "Mobile telecommunications service" means the same as that term is defined in the
- 2404 Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 124.
- 2405 (77)(a) "Mobile wireless service" means a telecommunications service, regardless of the
- 2406 technology used, if:
- 2407 (i) the origination point of the conveyance, routing, or transmission is not fixed;
- 2408 (ii) the termination point of the conveyance, routing, or transmission is not fixed; or
- 2409 (iii) the origination point described in Subsection (77)(a)(i) and the termination point

- 2410 described in Subsection (77)(a)(ii) are not fixed.
- 2411 (b) "Mobile wireless service" includes a telecommunications service that is provided by  
2412 a commercial mobile radio service provider.
- 2413 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2414 commission may by rule define "commercial mobile radio service provider."
- 2415 (78)(a) "Mobility enhancing equipment" means equipment that is:
- 2416 (i) primarily and customarily used to provide or increase the ability to move from one  
2417 place to another;
- 2418 (ii) appropriate for use in a:
- 2419 (A) home; or  
2420 (B) motor vehicle; and
- 2421 (iii) not generally used by persons with normal mobility.
- 2422 (b) "Mobility enhancing equipment" includes parts used in the repair or replacement of  
2423 the equipment described in Subsection (78)(a).
- 2424 (c) "Mobility enhancing equipment" does not include:
- 2425 (i) a motor vehicle;
- 2426 (ii) equipment on a motor vehicle if that equipment is normally provided by the  
2427 motor vehicle manufacturer;
- 2428 (iii) durable medical equipment; or  
2429 (iv) a prosthetic device.
- 2430 (79) "Model 1 seller" means a seller registered under the agreement that has selected a  
2431 certified service provider as the seller's agent to perform the seller's sales and use tax  
2432 functions for agreement sales and use taxes, as outlined in the contract between the  
2433 governing board of the agreement and the certified service provider, other than the  
2434 seller's obligation under Section 59-12-124 to remit a tax on the seller's own purchases.
- 2435 (80) "Model 2 seller" means a seller registered under the agreement that:
- 2436 (a) except as provided in Subsection (80)(b), has selected a certified automated system  
2437 to perform the seller's sales tax functions for agreement sales and use taxes; and
- 2438 (b) retains responsibility for remitting all of the sales tax:
- 2439 (i) collected by the seller; and  
2440 (ii) to the appropriate local taxing jurisdiction.
- 2441 (81)(a) Subject to Subsection (81)(b), "model 3 seller" means a seller registered under  
2442 the agreement that has:
- 2443 (i) sales in at least five states that are members of the agreement;



- 2444 (ii) total annual sales revenue of at least \$500,000,000;
- 2445 (iii) a proprietary system that calculates the amount of tax:
- 2446 (A) for an agreement sales and use tax; and
- 2447 (B) due to each local taxing jurisdiction; and
- 2448 (iv) entered into a performance agreement with the governing board of the agreement.
- 2449 (b) For purposes of Subsection (81)(a), "model 3 seller" includes an affiliated group of
- 2450 sellers using the same proprietary system.
- 2451 (82) "Model 4 seller" means a seller that is registered under the agreement and is not a
- 2452 model 1 seller, model 2 seller, or model 3 seller.
- 2453 (83) "Modular home" means a modular unit as defined in Section 15A-1-302.
- 2454 (84) "Motor vehicle" means the same as that term is defined in Section 41-1a-102.
- 2455 (85) "Oil sands" means impregnated bituminous sands that:
- 2456 (a) contain a heavy, thick form of petroleum that is released when heated, mixed with
- 2457 other hydrocarbons, or otherwise treated;
- 2458 (b) yield mixtures of liquid hydrocarbon; and
- 2459 (c) require further processing other than mechanical blending before becoming finished
- 2460 petroleum products.
- 2461 (86) "Oil shale" means a group of fine black to dark brown shales containing kerogen
- 2462 material that yields petroleum upon heating and distillation.
- 2463 (87) "Optional computer software maintenance contract" means a computer software
- 2464 maintenance contract that a customer is not obligated to purchase as a condition to the
- 2465 retail sale of computer software.
- 2466 (88)(a) "Other fuels" means products that burn independently to produce heat or energy.
- 2467 (b) "Other fuels" includes oxygen when it is used in the manufacturing of tangible
- 2468 personal property.
- 2469 (89)(a) "Paging service" means a telecommunications service that provides transmission
- 2470 of a coded radio signal for the purpose of activating a specific pager.
- 2471 (b) For purposes of Subsection (89)(a), the transmission of a coded radio signal includes
- 2472 a transmission by message or sound.
- 2473 (90) "Pawn transaction" means the same as that term is defined in Section 13-32a-102.
- 2474 (91) "Pawnbroker" means the same as that term is defined in Section 13-32a-102.
- 2475 (92)(a) "Permanently attached to real property" means that for tangible personal property
- 2476 attached to real property:
- 2477 (i) the attachment of the tangible personal property to the real property:

- 2478 (A) is essential to the use of the tangible personal property; and  
2479 (B) suggests that the tangible personal property will remain attached to the real  
2480 property in the same place over the useful life of the tangible personal  
2481 property; or
- 2482 (ii) if the tangible personal property is detached from the real property, the  
2483 detachment would:
- 2484 (A) cause substantial damage to the tangible personal property; or  
2485 (B) require substantial alteration or repair of the real property to which the  
2486 tangible personal property is attached.
- 2487 (b) "Permanently attached to real property" includes:
- 2488 (i) the attachment of an accessory to the tangible personal property if the accessory is:  
2489 (A) essential to the operation of the tangible personal property; and  
2490 (B) attached only to facilitate the operation of the tangible personal property;
- 2491 (ii) a temporary detachment of tangible personal property from real property for a  
2492 repair or renovation if the repair or renovation is performed where the tangible  
2493 personal property and real property are located; or
- 2494 (iii) property attached to oil, gas, or water pipelines, except for the property listed in  
2495 Subsection (92)(c)(iii) or (iv).
- 2496 (c) "Permanently attached to real property" does not include:
- 2497 (i) the attachment of portable or movable tangible personal property to real property  
2498 if that portable or movable tangible personal property is attached to real property  
2499 only for:
- 2500 (A) convenience;  
2501 (B) stability; or  
2502 (C) for an obvious temporary purpose;
- 2503 (ii) the detachment of tangible personal property from real property except for the  
2504 detachment described in Subsection (92)(b)(ii);
- 2505 (iii) an attachment of the following tangible personal property to real property if the  
2506 attachment to real property is only through a line that supplies water, electricity,  
2507 gas, telecommunications, cable, or supplies a similar item as determined by the  
2508 commission by rule made in accordance with Title 63G, Chapter 3, Utah  
2509 Administrative Rulemaking Act:
- 2510 (A) a computer;  
2511 (B) a telephone;

- 2512 (C) a television; or
- 2513 (D) tangible personal property similar to Subsections (92)(c)(iii)(A) through (C)
- 2514 as determined by the commission by rule made in accordance with Title 63G,
- 2515 Chapter 3, Utah Administrative Rulemaking Act; or
- 2516 (iv) an item listed in Subsection (137)(c).
- 2517 (93) "Person" includes any individual, firm, partnership, joint venture, association,
- 2518 corporation, estate, trust, business trust, receiver, syndicate, this state, any county, city,
- 2519 municipality, district, or other local governmental entity of the state, or any group or
- 2520 combination acting as a unit.
- 2521 (94) "Place of primary use":
- 2522 (a) for telecommunications service other than mobile telecommunications service,
- 2523 means the street address representative of where the customer's use of the
- 2524 telecommunications service primarily occurs, which shall be:
- 2525 (i) the residential street address of the customer; or
- 2526 (ii) the primary business street address of the customer; or
- 2527 (b) for mobile telecommunications service, means the same as that term is defined in the
- 2528 Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 124.
- 2529 (95)(a) "Postpaid calling service" means a telecommunications service a person obtains
- 2530 by making a payment on a call-by-call basis:
- 2531 (i) through the use of a:
- 2532 (A) bank card;
- 2533 (B) credit card;
- 2534 (C) debit card; or
- 2535 (D) travel card; or
- 2536 (ii) by a charge made to a telephone number that is not associated with the origination
- 2537 or termination of the telecommunications service.
- 2538 (b) "Postpaid calling service" includes a service, except for a prepaid wireless calling
- 2539 service, that would be a prepaid wireless calling service if the service were
- 2540 exclusively a telecommunications service.
- 2541 (96) "Postproduction" means an activity related to the finishing or duplication of a medium
- 2542 described in Subsection 59-12-104(54)(a).
- 2543 (97) "Prepaid calling service" means a telecommunications service:
- 2544 (a) that allows a purchaser access to telecommunications service that is exclusively
- 2545 telecommunications service;

- 2546 (b) that:
- 2547 (i) is paid for in advance; and
- 2548 (ii) enables the origination of a call using an:
- 2549 (A) access number; or
- 2550 (B) authorization code;
- 2551 (c) that is dialed:
- 2552 (i) manually; or
- 2553 (ii) electronically; and
- 2554 (d) sold in predetermined units or dollars that decline:
- 2555 (i) by a known amount; and
- 2556 (ii) with use.
- 2557 (98) "Prepaid wireless calling service" means a telecommunications service:
- 2558 (a) that provides the right to utilize:
- 2559 (i) mobile wireless service; and
- 2560 (ii) other service that is not a telecommunications service, including:
- 2561 (A) the download of a product transferred electronically;
- 2562 (B) a content service; or
- 2563 (C) an ancillary service;
- 2564 (b) that:
- 2565 (i) is paid for in advance; and
- 2566 (ii) enables the origination of a call using an:
- 2567 (A) access number; or
- 2568 (B) authorization code;
- 2569 (c) that is dialed:
- 2570 (i) manually; or
- 2571 (ii) electronically; and
- 2572 (d) sold in predetermined units or dollars that decline:
- 2573 (i) by a known amount; and
- 2574 (ii) with use.
- 2575 (99)(a) "Prepared food" means:
- 2576 (i) food:
- 2577 (A) sold in a heated state; or
- 2578 (B) heated by a seller;
- 2579 (ii) two or more food ingredients mixed or combined by the seller for sale as a single

- 2580 item; or
- 2581 (iii) except as provided in Subsection (99)(c), food sold with an eating utensil
- 2582 provided by the seller, including a:
- 2583 (A) plate;
- 2584 (B) knife;
- 2585 (C) fork;
- 2586 (D) spoon;
- 2587 (E) glass;
- 2588 (F) cup;
- 2589 (G) napkin; or
- 2590 (H) straw.
- 2591 (b) "Prepared food" does not include:
- 2592 (i) food that a seller only:
- 2593 (A) cuts;
- 2594 (B) repackages; or
- 2595 (C) pasteurizes;
- 2596 (ii)(A) the following:
- 2597 (I) raw egg;
- 2598 (II) raw fish;
- 2599 (III) raw meat;
- 2600 (IV) raw poultry; or
- 2601 (V) a food containing an item described in Subsections (99)(b)(ii)(A)(I)
- 2602 through (IV); and
- 2603 (B) if the Food and Drug Administration recommends in Chapter 3, Part 401.11 of
- 2604 the Food and Drug Administration's Food Code that a consumer cook the items
- 2605 described in Subsection (99)(b)(ii)(A) to prevent food borne illness; or
- 2606 (iii) the following if sold without eating utensils provided by the seller:
- 2607 (A) food and food ingredients sold by a seller if the seller's proper primary
- 2608 classification under the 2002 North American Industry Classification System
- 2609 of the federal Executive Office of the President, Office of Management and
- 2610 Budget, is manufacturing in Sector 311, Food Manufacturing, except for
- 2611 Subsector 3118, Bakeries and Tortilla Manufacturing;
- 2612 (B) food and food ingredients sold in an unheated state:
- 2613 (I) by weight or volume; and

- 2614 (II) as a single item; or  
2615 (C) a bakery item, including:  
2616 (I) a bagel;  
2617 (II) a bar;  
2618 (III) a biscuit;  
2619 (IV) bread;  
2620 (V) a bun;  
2621 (VI) a cake;  
2622 (VII) a cookie;  
2623 (VIII) a croissant;  
2624 (IX) a danish;  
2625 (X) a donut;  
2626 (XI) a muffin;  
2627 (XII) a pastry;  
2628 (XIII) a pie;  
2629 (XIV) a roll;  
2630 (XV) a tart;  
2631 (XVI) a torte; or  
2632 (XVII) a tortilla.
- 2633 (c) An eating utensil provided by the seller does not include the following used to  
2634 transport the food:  
2635 (i) a container; or  
2636 (ii) packaging.
- 2637 (100) "Prescription" means an order, formula, or recipe that is issued:  
2638 (a)(i) orally;  
2639 (ii) in writing;  
2640 (iii) electronically; or  
2641 (iv) by any other manner of transmission; and  
2642 (b) by a licensed practitioner authorized by the laws of a state.
- 2643 (101)(a) "Prewritten computer software" means computer software that is not designed  
2644 and developed:  
2645 (i) by the author or other creator of the computer software; and  
2646 (ii) to the specifications of a specific purchaser.  
2647 (b) "Prewritten computer software" includes:

- 2648 (i) a prewritten upgrade to computer software if the prewritten upgrade to the  
2649 computer software is not designed and developed:  
2650 (A) by the author or other creator of the computer software; and  
2651 (B) to the specifications of a specific purchaser;
- 2652 (ii) computer software designed and developed by the author or other creator of the  
2653 computer software to the specifications of a specific purchaser if the computer  
2654 software is sold to a person other than the purchaser; or
- 2655 (iii) except as provided in Subsection (101)(c), prewritten computer software or a  
2656 prewritten portion of prewritten computer software:  
2657 (A) that is modified or enhanced to any degree; and  
2658 (B) if the modification or enhancement described in Subsection (101)(b)(iii)(A) is  
2659 designed and developed to the specifications of a specific purchaser.
- 2660 (c) "Prewritten computer software" does not include a modification or enhancement  
2661 described in Subsection (101)(b)(iii) if the charges for the modification or  
2662 enhancement are:  
2663 (i) reasonable; and  
2664 (ii) subject to Subsections 59-12-103(2)(f)(ii) and (2)(g)(i), separately stated on the  
2665 invoice or other statement of price provided to the purchaser at the time of sale or  
2666 later, as demonstrated by:  
2667 (A) the books and records the seller keeps at the time of the transaction in the  
2668 regular course of business, including books and records the seller keeps at the  
2669 time of the transaction in the regular course of business for nontax purposes;  
2670 (B) a preponderance of the facts and circumstances at the time of the transaction;  
2671 and  
2672 (C) the understanding of all of the parties to the transaction.
- 2673 (102)(a) "Private communications service" means a telecommunications service:  
2674 (i) that entitles a customer to exclusive or priority use of one or more  
2675 communications channels between or among termination points; and  
2676 (ii) regardless of the manner in which the one or more communications channels are  
2677 connected.
- 2678 (b) "Private communications service" includes the following provided in connection  
2679 with the use of one or more communications channels:  
2680 (i) an extension line;  
2681 (ii) a station;

- 2682 (iii) switching capacity; or
- 2683 (iv) another associated service that is provided in connection with the use of one or
- 2684 more communications channels as defined in Section 59-12-215.
- 2685 (103)(a) "Product transferred electronically" means a product transferred electronically
- 2686 that would be subject to a tax under this chapter if that product was transferred in a
- 2687 manner other than electronically.
- 2688 (b) "Product transferred electronically" does not include:
- 2689 (i) an ancillary service;
- 2690 (ii) computer software; or
- 2691 (iii) a telecommunications service.
- 2692 (104)(a) "Prosthetic device" means a device that is worn on or in the body to:
- 2693 (i) artificially replace a missing portion of the body;
- 2694 (ii) prevent or correct a physical deformity or physical malfunction; or
- 2695 (iii) support a weak or deformed portion of the body.
- 2696 (b) "Prosthetic device" includes:
- 2697 (i) parts used in the repairs or renovation of a prosthetic device;
- 2698 (ii) replacement parts for a prosthetic device;
- 2699 (iii) a dental prosthesis; or
- 2700 (iv) a hearing aid.
- 2701 (c) "Prosthetic device" does not include:
- 2702 (i) corrective eyeglasses; or
- 2703 (ii) contact lenses.
- 2704 (105)(a) "Protective equipment" means an item:
- 2705 (i) for human wear; and
- 2706 (ii) that is:
- 2707 (A) designed as protection:
- 2708 (I) to the wearer against injury or disease; or
- 2709 (II) against damage or injury of other persons or property; and
- 2710 (B) not suitable for general use.
- 2711 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 2712 commission shall make rules:
- 2713 (i) listing the items that constitute "protective equipment"; and
- 2714 (ii) that are consistent with the list of items that constitute "protective equipment"
- 2715 under the agreement.



- 2716 (106)(a) For purposes of Subsection 59-12-104(41), "publication" means any written or  
2717 printed matter, other than a photocopy:
- 2718 (i) regardless of:
- 2719 (A) characteristics;
- 2720 (B) copyright;
- 2721 (C) form;
- 2722 (D) format;
- 2723 (E) method of reproduction; or
- 2724 (F) source; and
- 2725 (ii) made available in printed or electronic format.
- 2726 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2727 commission may by rule define the term "photocopy."
- 2728 (107)(a) "Purchase price" and "sales price" mean the total amount of consideration:
- 2729 (i) valued in money; and
- 2730 (ii) for which tangible personal property, a product transferred electronically, or  
2731 services are:
- 2732 (A) sold;
- 2733 (B) leased; or
- 2734 (C) rented.
- 2735 (b) "Purchase price" and "sales price" include:
- 2736 (i) the seller's cost of the tangible personal property, a product transferred  
2737 electronically, or services sold;
- 2738 (ii) expenses of the seller, including:
- 2739 (A) the cost of materials used;
- 2740 (B) a labor cost;
- 2741 (C) a service cost;
- 2742 (D) interest;
- 2743 (E) a loss;
- 2744 (F) the cost of transportation to the seller; or
- 2745 (G) a tax imposed on the seller;
- 2746 (iii) a charge by the seller for any service necessary to complete the sale; or
- 2747 (iv) consideration a seller receives from a person other than the purchaser if:
- 2748 (A)(I) the seller actually receives consideration from a person other than the  
2749 purchaser; and

- 2750 (II) the consideration described in Subsection (107)(b)(iv)(A)(I) is directly  
2751 related to a price reduction or discount on the sale;
- 2752 (B) the seller has an obligation to pass the price reduction or discount through to  
2753 the purchaser;
- 2754 (C) the amount of the consideration attributable to the sale is fixed and  
2755 determinable by the seller at the time of the sale to the purchaser; and
- 2756 (D)(I)(Aa) the purchaser presents a certificate, coupon, or other  
2757 documentation to the seller to claim a price reduction or discount; and
- 2758 (Bb) a person other than the seller authorizes, distributes, or grants the  
2759 certificate, coupon, or other documentation with the understanding that  
2760 the person other than the seller will reimburse any seller to whom the  
2761 certificate, coupon, or other documentation is presented;
- 2762 (II) the purchaser identifies that purchaser to the seller as a member of a group  
2763 or organization allowed a price reduction or discount, except that a  
2764 preferred customer card that is available to any patron of a seller does not  
2765 constitute membership in a group or organization allowed a price reduction  
2766 or discount; or
- 2767 (III) the price reduction or discount is identified as a third party price reduction  
2768 or discount on the:
- 2769 (Aa) invoice the purchaser receives; or
- 2770 (Bb) certificate, coupon, or other documentation the purchaser presents.
- 2771 (c) "Purchase price" and "sales price" do not include:
- 2772 (i) a discount:
- 2773 (A) in a form including:
- 2774 (I) cash;
- 2775 (II) term; or
- 2776 (III) coupon;
- 2777 (B) that is allowed by a seller;
- 2778 (C) taken by a purchaser on a sale; and
- 2779 (D) that is not reimbursed by a third party; or
- 2780 (ii) subject to Subsections 59-12-103(2)(f)(ii) and (2)(g)(i), the following if  
2781 separately stated on an invoice, bill of sale, or similar document provided to the  
2782 purchaser at the time of sale or later, as demonstrated by the books and records the  
2783 seller keeps at the time of the transaction in the regular course of business,

2784 including books and records the seller keeps at the time of the transaction in the  
2785 regular course of business for nontax purposes, by a preponderance of the facts  
2786 and circumstances at the time of the transaction, and by the understanding of all of  
2787 the parties to the transaction:

2788 (A) the following from credit extended on the sale of tangible personal property or  
2789 services:

2790 (I) a carrying charge;

2791 (II) a financing charge; or

2792 (III) an interest charge;

2793 (B) a delivery charge;

2794 (C) an installation charge;

2795 (D) a manufacturer rebate on a motor vehicle; or

2796 (E) a tax or fee legally imposed directly on the consumer.

2797 (108) "Purchaser" means a person to whom:

2798 (a) a sale of tangible personal property is made;

2799 (b) a product is transferred electronically; or

2800 (c) a service is furnished.

2801 (109) "Qualifying data center" means a data center facility that:

2802 (a) houses a group of networked server computers in one physical location in order to  
2803 disseminate, manage, and store data and information;

2804 (b) is located in the state;

2805 (c) is a new operation constructed on or after July 1, 2016;

2806 (d) consists of one or more buildings that total 150,000 or more square feet;

2807 (e) is owned or leased by:

2808 (i) the operator of the data center facility; or

2809 (ii) a person under common ownership, as defined in Section 59-7-101, of the  
2810 operator of the data center facility; and

2811 (f) is located on one or more parcels of land that are owned or leased by:

2812 (i) the operator of the data center facility; or

2813 (ii) a person under common ownership, as defined in Section 59-7-101, of the  
2814 operator of the data center facility.

2815 (110) "Regularly rented" means:

2816 (a) rented to a guest for value three or more times during a calendar year; or

2817 (b) advertised or held out to the public as a place that is regularly rented to guests for

- 2818 value.
- 2819 (111) "Rental" means the same as that term is defined in Subsection (63).
- 2820 (112)(a) "Repairs or renovations of tangible personal property" means:
- 2821 (i) a repair or renovation of tangible personal property that is not permanently
- 2822 attached to real property; or
- 2823 (ii) attaching tangible personal property or a product transferred electronically to
- 2824 other tangible personal property or detaching tangible personal property or a
- 2825 product transferred electronically from other tangible personal property if:
- 2826 (A) the other tangible personal property to which the tangible personal property or
- 2827 product transferred electronically is attached or from which the tangible
- 2828 personal property or product transferred electronically is detached is not
- 2829 permanently attached to real property; and
- 2830 (B) the attachment of tangible personal property or a product transferred
- 2831 electronically to other tangible personal property or detachment of tangible
- 2832 personal property or a product transferred electronically from other tangible
- 2833 personal property is made in conjunction with a repair or replacement of
- 2834 tangible personal property or a product transferred electronically.
- 2835 (b) "Repairs or renovations of tangible personal property" does not include:
- 2836 (i) attaching prewritten computer software to other tangible personal property if the
- 2837 other tangible personal property to which the prewritten computer software is
- 2838 attached is not permanently attached to real property; or
- 2839 (ii) detaching prewritten computer software from other tangible personal property if
- 2840 the other tangible personal property from which the prewritten computer software
- 2841 is detached is not permanently attached to real property.
- 2842 (113) "Research and development" means the process of inquiry or experimentation aimed
- 2843 at the discovery of facts, devices, technologies, or applications and the process of
- 2844 preparing those devices, technologies, or applications for marketing.
- 2845 (114)(a) "Residential telecommunications services" means a telecommunications service
- 2846 or an ancillary service that is provided to an individual for personal use:
- 2847 (i) at a residential address; or
- 2848 (ii) at an institution, including a nursing home or a school, if the telecommunications
- 2849 service or ancillary service is provided to and paid for by the individual residing at
- 2850 the institution rather than the institution.
- 2851 (b) For purposes of Subsection (114)(a)(i), a residential address includes an:

- 2852 (i) apartment; or
- 2853 (ii) other individual dwelling unit.
- 2854 (115) "Residential use" means the use in or around a home, apartment building, sleeping
- 2855 quarters, and similar facilities or accommodations.
- 2856 (116) "Retail sale" or "sale at retail" means a sale, lease, or rental for a purpose other than:
- 2857 (a) resale;
- 2858 (b) sublease; or
- 2859 (c) subrent.
- 2860 (117)(a) "Retailer" means any person, unless prohibited by the Constitution of the
- 2861 United States or federal law, that is engaged in a regularly organized business in
- 2862 tangible personal property or any other taxable transaction under Subsection
- 2863 59-12-103(1), and who is selling to the user or consumer and not for resale.
- 2864 (b) "Retailer" includes commission merchants, auctioneers, and any person regularly
- 2865 engaged in the business of selling to users or consumers within the state.
- 2866 (118)(a) "Sale" means any transfer of title, exchange, or barter, conditional or otherwise,
- 2867 in any manner, of tangible personal property or any other taxable transaction under
- 2868 Subsection 59-12-103(1), for consideration.
- 2869 (b) "Sale" includes:
- 2870 (i) installment and credit sales;
- 2871 (ii) any closed transaction constituting a sale;
- 2872 (iii) any sale of electrical energy, gas, services, or entertainment taxable under this
- 2873 chapter;
- 2874 (iv) any transaction if the possession of property is transferred but the seller retains
- 2875 the title as security for the payment of the price; and
- 2876 (v) any transaction under which right to possession, operation, or use of any article of
- 2877 tangible personal property is granted under a lease or contract and the transfer of
- 2878 possession would be taxable if an outright sale were made.
- 2879 (119) "Sale at retail" means the same as that term is defined in Subsection (116).
- 2880 (120) "Sale-leaseback transaction" means a transaction by which title to tangible personal
- 2881 property or a product transferred electronically that is subject to a tax under this chapter
- 2882 is transferred:
- 2883 (a) by a purchaser-lessee;
- 2884 (b) to a lessor;
- 2885 (c) for consideration; and

- 2886 (d) if:
- 2887 (i) the purchaser-lessee paid sales and use tax on the purchaser-lessee's initial
- 2888 purchase of the tangible personal property or product transferred electronically;
- 2889 (ii) the sale of the tangible personal property or product transferred electronically to
- 2890 the lessor is intended as a form of financing:
- 2891 (A) for the tangible personal property or product transferred electronically; and
- 2892 (B) to the purchaser-lessee; and
- 2893 (iii) in accordance with generally accepted accounting principles, the
- 2894 purchaser-lessee is required to:
- 2895 (A) capitalize the tangible personal property or product transferred electronically
- 2896 for financial reporting purposes; and
- 2897 (B) account for the lease payments as payments made under a financing
- 2898 arrangement.
- 2899 (121) "Sales price" means the same as that term is defined in Subsection (107).
- 2900 (122)(a) "Sales relating to schools" means the following sales by, amounts paid to, or
- 2901 amounts charged by a school:
- 2902 (i) sales that are directly related to the school's educational functions or activities
- 2903 including:
- 2904 (A) the sale of:
- 2905 (I) textbooks;
- 2906 (II) textbook fees;
- 2907 (III) laboratory fees;
- 2908 (IV) laboratory supplies; or
- 2909 (V) safety equipment;
- 2910 (B) the sale of a uniform, protective equipment, or sports or recreational
- 2911 equipment that:
- 2912 (I) a student is specifically required to wear as a condition of participation in a
- 2913 school-related event or school-related activity; and
- 2914 (II) is not readily adaptable to general or continued usage to the extent that it
- 2915 takes the place of ordinary clothing;
- 2916 (C) sales of the following if the net or gross revenue generated by the sales is
- 2917 deposited into a school district fund or school fund dedicated to school meals:
- 2918 (I) food and food ingredients; or
- 2919 (II) prepared food; or

- 2920 (D) transportation charges for official school activities; or
- 2921 (ii) amounts paid to or amounts charged by a school for admission to a school-related
- 2922 event or school-related activity.
- 2923 (b) "Sales relating to schools" does not include:
- 2924 (i) bookstore sales of items that are not educational materials or supplies;
- 2925 (ii) except as provided in Subsection (122)(a)(i)(B):
- 2926 (A) clothing;
- 2927 (B) clothing accessories or equipment;
- 2928 (C) protective equipment; or
- 2929 (D) sports or recreational equipment; or
- 2930 (iii) amounts paid to or amounts charged by a school for admission to a
- 2931 school-related event or school-related activity if the amounts paid or charged are
- 2932 passed through to a person:
- 2933 (A) other than a:
- 2934 (I) school;
- 2935 (II) nonprofit organization authorized by a school board or a governing body of
- 2936 a private school to organize and direct a competitive secondary school
- 2937 activity; or
- 2938 (III) nonprofit association authorized by a school board or a governing body of
- 2939 a private school to organize and direct a competitive secondary school
- 2940 activity; and
- 2941 (B) that is required to collect sales and use taxes under this chapter.
- 2942 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 2943 commission may make rules defining the term "passed through."
- 2944 (123) For purposes of this section and Section 59-12-104, "school" means:
- 2945 (a) an elementary school or a secondary school that:
- 2946 (i) is a:
- 2947 (A) public school; or
- 2948 (B) private school; and
- 2949 (ii) provides instruction for one or more grades kindergarten through 12; or
- 2950 (b) a public school district.
- 2951 (124)(a) "Seller" means a person that makes a sale, lease, or rental of:
- 2952 (i) tangible personal property;
- 2953 (ii) a product transferred electronically; or

- 2954 (iii) a service.
- 2955 (b) "Seller" includes a marketplace facilitator.
- 2956 (125)(a) "Semiconductor fabricating, processing, research, or development materials"
- 2957 means tangible personal property or a product transferred electronically if the
- 2958 tangible personal property or product transferred electronically is:
- 2959 (i) used primarily in the process of:
- 2960 (A)(I) manufacturing a semiconductor;
- 2961 (II) fabricating a semiconductor; or
- 2962 (III) research or development of a:
- 2963 (Aa) semiconductor; or
- 2964 (Bb) semiconductor manufacturing process; or
- 2965 (B) maintaining an environment suitable for a semiconductor; or
- 2966 (ii) consumed primarily in the process of:
- 2967 (A)(I) manufacturing a semiconductor;
- 2968 (II) fabricating a semiconductor; or
- 2969 (III) research or development of a:
- 2970 (Aa) semiconductor; or
- 2971 (Bb) semiconductor manufacturing process; or
- 2972 (B) maintaining an environment suitable for a semiconductor.
- 2973 (b) "Semiconductor fabricating, processing, research, or development materials"
- 2974 includes:
- 2975 (i) parts used in the repairs or renovations of tangible personal property or a product
- 2976 transferred electronically described in Subsection (125)(a); or
- 2977 (ii) a chemical, catalyst, or other material used to:
- 2978 (A) produce or induce in a semiconductor a:
- 2979 (I) chemical change; or
- 2980 (II) physical change;
- 2981 (B) remove impurities from a semiconductor; or
- 2982 (C) improve the marketable condition of a semiconductor.
- 2983 (126) "Senior citizen center" means a facility having the primary purpose of providing
- 2984 services to the aged as defined in Section 26B-6-101.
- 2985 (127) "Shared vehicle" means the same as that term is defined in Section 13-48a-101.
- 2986 (128) "Shared vehicle driver" means the same as that term is defined in Section 13-48a-101.
- 2987 (129) "Shared vehicle owner" means the same as that term is defined in Section 13-48a-101.



- 2988 (130)(a) Subject to Subsections (130)(b) and (c), "short-term lodging consumable"  
2989 means tangible personal property that:
- 2990 (i) a business that provides accommodations and services described in Subsection  
2991 59-12-103(1)(i) purchases as part of a transaction to provide the accommodations  
2992 and services to a purchaser;
  - 2993 (ii) is intended to be consumed by the purchaser; and
  - 2994 (iii) is:
    - 2995 (A) included in the purchase price of the accommodations and services; and
    - 2996 (B) not separately stated on an invoice, bill of sale, or other similar document  
2997 provided to the purchaser.
- 2998 (b) "Short-term lodging consumable" includes:
- 2999 (i) a beverage;
  - 3000 (ii) a brush or comb;
  - 3001 (iii) a cosmetic;
  - 3002 (iv) a hair care product;
  - 3003 (v) lotion;
  - 3004 (vi) a magazine;
  - 3005 (vii) makeup;
  - 3006 (viii) a meal;
  - 3007 (ix) mouthwash;
  - 3008 (x) nail polish remover;
  - 3009 (xi) a newspaper;
  - 3010 (xii) a notepad;
  - 3011 (xiii) a pen;
  - 3012 (xiv) a pencil;
  - 3013 (xv) a razor;
  - 3014 (xvi) saline solution;
  - 3015 (xvii) a sewing kit;
  - 3016 (xviii) shaving cream;
  - 3017 (xix) a shoe shine kit;
  - 3018 (xx) a shower cap;
  - 3019 (xxi) a snack item;
  - 3020 (xxii) soap;
  - 3021 (xxiii) toilet paper;

- 3022 (xxiv) a toothbrush;
- 3023 (xxv) toothpaste; or
- 3024 (xxvi) an item similar to Subsections (130)(b)(i) through (xxv) as the commission
- 3025 may provide by rule made in accordance with Title 63G, Chapter 3, Utah
- 3026 Administrative Rulemaking Act.
- 3027 (c) "Short-term lodging consumable" does not include:
- 3028 (i) tangible personal property that is cleaned or washed to allow the tangible personal
- 3029 property to be reused; or
- 3030 (ii) a product transferred electronically.
- 3031 (131)(a) "Short-term rental" means a lease or rental for less than 30 consecutive days.
- 3032 (b) "Short-term rental" does not include car sharing.
- 3033 (132) "Simplified electronic return" means the electronic return:
- 3034 (a) described in Section 318(C) of the agreement; and
- 3035 (b) approved by the governing board of the agreement.
- 3036 (133) "Solar energy" means the sun used as the sole source of energy for producing
- 3037 electricity.
- 3038 (134)(a) "Sports or recreational equipment" means an item:
- 3039 (i) designed for human use; and
- 3040 (ii) that is:
- 3041 (A) worn in conjunction with:
- 3042 (I) an athletic activity; or
- 3043 (II) a recreational activity; and
- 3044 (B) not suitable for general use.
- 3045 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 3046 commission shall make rules:
- 3047 (i) listing the items that constitute "sports or recreational equipment"; and
- 3048 (ii) that are consistent with the list of items that constitute "sports or recreational
- 3049 equipment" under the agreement.
- 3050 (135) "State" means the state of Utah, its departments, and agencies.
- 3051 (136) "Storage" means any keeping or retention of tangible personal property or any other
- 3052 taxable transaction under Subsection 59-12-103(1), in this state for any purpose except
- 3053 sale in the regular course of business.
- 3054 (137)(a) "Tangible personal property" means personal property that:
- 3055 (i) may be:

- 3056 (A) seen;
- 3057 (B) weighed;
- 3058 (C) measured;
- 3059 (D) felt; or
- 3060 (E) touched; or
- 3061 (ii) is in any manner perceptible to the senses.
- 3062 (b) "Tangible personal property" includes:
- 3063 (i) electricity;
- 3064 (ii) water;
- 3065 (iii) gas;
- 3066 (iv) steam; or
- 3067 (v) prewritten computer software, regardless of the manner in which the prewritten
- 3068 computer software is transferred.
- 3069 (c) "Tangible personal property" includes the following regardless of whether the item is
- 3070 attached to real property:
- 3071 (i) a dishwasher;
- 3072 (ii) a dryer;
- 3073 (iii) a freezer;
- 3074 (iv) a microwave;
- 3075 (v) a refrigerator;
- 3076 (vi) a stove;
- 3077 (vii) a washer; or
- 3078 (viii) an item similar to Subsections (137)(c)(i) through (vii) as determined by the
- 3079 commission by rule made in accordance with Title 63G, Chapter 3, Utah
- 3080 Administrative Rulemaking Act.
- 3081 (d) "Tangible personal property" does not include a product that is transferred
- 3082 electronically.
- 3083 (e) "Tangible personal property" does not include the following if attached to real
- 3084 property, regardless of whether the attachment to real property is only through a line
- 3085 that supplies water, electricity, gas, telephone, cable, or supplies a similar item as
- 3086 determined by the commission by rule made in accordance with Title 63G, Chapter 3,
- 3087 Utah Administrative Rulemaking Act:
- 3088 (i) a hot water heater;
- 3089 (ii) a water filtration system; or

- 3090 (iii) a water softener system.
- 3091 (138)(a) "Telecommunications enabling or facilitating equipment, machinery, or  
3092 software" means an item listed in Subsection (138)(b) if that item is purchased or  
3093 leased primarily to enable or facilitate one or more of the following to function:
- 3094 (i) telecommunications switching or routing equipment, machinery, or software; or
  - 3095 (ii) telecommunications transmission equipment, machinery, or software.
- 3096 (b) The following apply to Subsection (138)(a):
- 3097 (i) a pole;
  - 3098 (ii) software;
  - 3099 (iii) a supplementary power supply;
  - 3100 (iv) temperature or environmental equipment or machinery;
  - 3101 (v) test equipment;
  - 3102 (vi) a tower; or
  - 3103 (vii) equipment, machinery, or software that functions similarly to an item listed in  
3104 Subsections (138)(b)(i) through (vi) as determined by the commission by rule  
3105 made in accordance with Subsection (138)(c).
- 3106 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3107 commission may by rule define what constitutes equipment, machinery, or software  
3108 that functions similarly to an item listed in Subsections (138)(b)(i) through (vi).
- 3109 (139) "Telecommunications equipment, machinery, or software required for 911 service"  
3110 means equipment, machinery, or software that is required to comply with 47 C.F.R. Sec.  
3111 20.18.
- 3112 (140) "Telecommunications maintenance or repair equipment, machinery, or software"  
3113 means equipment, machinery, or software purchased or leased primarily to maintain or  
3114 repair one or more of the following, regardless of whether the equipment, machinery, or  
3115 software is purchased or leased as a spare part or as an upgrade or modification to one or  
3116 more of the following:
- 3117 (a) telecommunications enabling or facilitating equipment, machinery, or software;
  - 3118 (b) telecommunications switching or routing equipment, machinery, or software; or
  - 3119 (c) telecommunications transmission equipment, machinery, or software.
- 3120 (141)(a) "Telecommunications service" means the electronic conveyance, routing, or  
3121 transmission of audio, data, video, voice, or any other information or signal to a  
3122 point, or among or between points.
- 3123 (b) "Telecommunications service" includes:

- 3124 (i) an electronic conveyance, routing, or transmission with respect to which a  
3125 computer processing application is used to act:  
3126 (A) on the code, form, or protocol of the content;  
3127 (B) for the purpose of electronic conveyance, routing, or transmission; and  
3128 (C) regardless of whether the service:  
3129 (I) is referred to as voice over Internet protocol service; or  
3130 (II) is classified by the Federal Communications Commission as enhanced or  
3131 value added;
- 3132 (ii) an 800 service;  
3133 (iii) a 900 service;  
3134 (iv) a fixed wireless service;  
3135 (v) a mobile wireless service;  
3136 (vi) a postpaid calling service;  
3137 (vii) a prepaid calling service;  
3138 (viii) a prepaid wireless calling service; or  
3139 (ix) a private communications service.
- 3140 (c) "Telecommunications service" does not include:  
3141 (i) advertising, including directory advertising;  
3142 (ii) an ancillary service;  
3143 (iii) a billing and collection service provided to a third party;  
3144 (iv) a data processing and information service if:  
3145 (A) the data processing and information service allows data to be:  
3146 (I)(Aa) acquired;  
3147 (Bb) generated;  
3148 (Cc) processed;  
3149 (Dd) retrieved; or  
3150 (Ee) stored; and  
3151 (II) delivered by an electronic transmission to a purchaser; and  
3152 (B) the purchaser's primary purpose for the underlying transaction is the processed  
3153 data or information;
- 3154 (v) installation or maintenance of the following on a customer's premises:  
3155 (A) equipment; or  
3156 (B) wiring;  
3157 (vi) Internet access service;

- 3158 (vii) a paging service;
- 3159 (viii) a product transferred electronically, including:
- 3160 (A) music;
- 3161 (B) reading material;
- 3162 (C) a ring tone;
- 3163 (D) software; or
- 3164 (E) video;
- 3165 (ix) a radio and television audio and video programming service:
- 3166 (A) regardless of the medium; and
- 3167 (B) including:
- 3168 (I) furnishing conveyance, routing, or transmission of a television audio and
- 3169 video programming service by a programming service provider;
- 3170 (II) cable service as defined in 47 U.S.C. Sec. 522(6); or
- 3171 (III) audio and video programming services delivered by a commercial mobile
- 3172 radio service provider as defined in 47 C.F.R. Sec. 20.3;
- 3173 (x) a value-added nonvoice data service; or
- 3174 (xi) tangible personal property.
- 3175 (142)(a) "Telecommunications service provider" means a person that:
- 3176 (i) owns, controls, operates, or manages a telecommunications service; and
- 3177 (ii) engages in an activity described in Subsection (142)(a)(i) for the shared use with
- 3178 or resale to any person of the telecommunications service.
- 3179 (b) A person described in Subsection (142)(a) is a telecommunications service provider
- 3180 whether or not the Public Service Commission of Utah regulates:
- 3181 (i) that person; or
- 3182 (ii) the telecommunications service that the person owns, controls, operates, or
- 3183 manages.
- 3184 (143)(a) "Telecommunications switching or routing equipment, machinery, or software"
- 3185 means an item listed in Subsection (143)(b) if that item is purchased or leased
- 3186 primarily for switching or routing:
- 3187 (i) an ancillary service;
- 3188 (ii) data communications;
- 3189 (iii) voice communications; or
- 3190 (iv) telecommunications service.
- 3191 (b) The following apply to Subsection (143)(a):

- 3192 (i) a bridge;
- 3193 (ii) a computer;
- 3194 (iii) a cross connect;
- 3195 (iv) a modem;
- 3196 (v) a multiplexer;
- 3197 (vi) plug in circuitry;
- 3198 (vii) a router;
- 3199 (viii) software;
- 3200 (ix) a switch; or
- 3201 (x) equipment, machinery, or software that functions similarly to an item listed in
- 3202 Subsections (143)(b)(i) through (ix) as determined by the commission by rule
- 3203 made in accordance with Subsection (143)(c).
- 3204 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 3205 commission may by rule define what constitutes equipment, machinery, or software
- 3206 that functions similarly to an item listed in Subsections (143)(b)(i) through (ix).
- 3207 (144)(a) "Telecommunications transmission equipment, machinery, or software" means
- 3208 an item listed in Subsection (144)(b) if that item is purchased or leased primarily for
- 3209 sending, receiving, or transporting:
- 3210 (i) an ancillary service;
- 3211 (ii) data communications;
- 3212 (iii) voice communications; or
- 3213 (iv) telecommunications service.
- 3214 (b) The following apply to Subsection (144)(a):
- 3215 (i) an amplifier;
- 3216 (ii) a cable;
- 3217 (iii) a closure;
- 3218 (iv) a conduit;
- 3219 (v) a controller;
- 3220 (vi) a duplexer;
- 3221 (vii) a filter;
- 3222 (viii) an input device;
- 3223 (ix) an input/output device;
- 3224 (x) an insulator;
- 3225 (xi) microwave machinery or equipment;

- 3226 (xii) an oscillator;
- 3227 (xiii) an output device;
- 3228 (xiv) a pedestal;
- 3229 (xv) a power converter;
- 3230 (xvi) a power supply;
- 3231 (xvii) a radio channel;
- 3232 (xviii) a radio receiver;
- 3233 (xix) a radio transmitter;
- 3234 (xx) a repeater;
- 3235 (xxi) software;
- 3236 (xxii) a terminal;
- 3237 (xxiii) a timing unit;
- 3238 (xxiv) a transformer;
- 3239 (xxv) a wire; or
- 3240 (xxvi) equipment, machinery, or software that functions similarly to an item listed in
- 3241 Subsections (144)(b)(i) through (xxv) as determined by the commission by rule
- 3242 made in accordance with Subsection (144)(c).
- 3243 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 3244 commission may by rule define what constitutes equipment, machinery, or software
- 3245 that functions similarly to an item listed in Subsections (144)(b)(i) through (xxv).
- 3246 (145)(a) "Textbook for a higher education course" means a textbook or other printed
- 3247 material that is required for a course:
- 3248 (i) offered by an institution of higher education; and
- 3249 (ii) that the purchaser of the textbook or other printed material attends or will attend.
- 3250 (b) "Textbook for a higher education course" includes a textbook in electronic format.
- 3251 (146) "Tobacco" means:
- 3252 (a) a cigarette;
- 3253 (b) a cigar;
- 3254 (c) chewing tobacco;
- 3255 (d) pipe tobacco; or
- 3256 (e) any other item that contains tobacco.
- 3257 (147) "Unassisted amusement device" means an amusement device, skill device, or ride
- 3258 device that is started and stopped by the purchaser or renter of the right to use or operate
- 3259 the amusement device, skill device, or ride device.



- 3260 (148)(a) "Use" means the exercise of any right or power over tangible personal property,  
3261 a product transferred electronically, or a service under Subsection 59-12-103(1),  
3262 incident to the ownership or the leasing of that tangible personal property, product  
3263 transferred electronically, or service.
- 3264 (b) "Use" does not include the sale, display, demonstration, or trial of tangible personal  
3265 property, a product transferred electronically, or a service in the regular course of  
3266 business and held for resale.
- 3267 (149) "Value-added nonvoice data service" means a service:
- 3268 (a) that otherwise meets the definition of a telecommunications service except that a  
3269 computer processing application is used to act primarily for a purpose other than  
3270 conveyance, routing, or transmission; and
- 3271 (b) with respect to which a computer processing application is used to act on data or  
3272 information:
- 3273 (i) code;  
3274 (ii) content;  
3275 (iii) form; or  
3276 (iv) protocol.
- 3277 (150)(a) Subject to Subsection (150)(b), "vehicle" means the following that are required  
3278 to be titled, registered, or titled and registered:
- 3279 (i) an aircraft as defined in Section 72-10-102;  
3280 (ii) a vehicle as defined in Section 41-1a-102;  
3281 (iii) an off-highway vehicle as defined in Section 41-22-2; or  
3282 (iv) a vessel as defined in Section 41-1a-102.
- 3283 (b) For purposes of Subsection 59-12-104(33) only, "vehicle" includes:
- 3284 (i) a vehicle described in Subsection (150)(a); or  
3285 (ii)(A) a locomotive;  
3286 (B) a freight car;  
3287 (C) railroad work equipment; or  
3288 (D) other railroad rolling stock.
- 3289 (151) "Vehicle dealer" means a person engaged in the business of buying, selling, or  
3290 exchanging a vehicle as defined in Subsection (150).
- 3291 (152)(a) "Vertical service" means an ancillary service that:
- 3292 (i) is offered in connection with one or more telecommunications services; and  
3293 (ii) offers an advanced calling feature that allows a customer to:

- 3294 (A) identify a caller; and  
3295 (B) manage multiple calls and call connections.
- 3296 (b) "Vertical service" includes an ancillary service that allows a customer to manage a  
3297 conference bridging service.
- 3298 (153)(a) "Voice mail service" means an ancillary service that enables a customer to  
3299 receive, send, or store a recorded message.
- 3300 (b) "Voice mail service" does not include a vertical service that a customer is required to  
3301 have in order to utilize a voice mail service.
- 3302 (154)(a) "Waste energy facility" means a facility that generates electricity:  
3303 (i) using as the primary source of energy waste materials that would be placed in a  
3304 landfill or refuse pit if it were not used to generate electricity, including:  
3305 (A) tires;  
3306 (B) waste coal;  
3307 (C) oil shale; or  
3308 (D) municipal solid waste; and  
3309 (ii) in amounts greater than actually required for the operation of the facility.
- 3310 (b) "Waste energy facility" does not include a facility that incinerates:  
3311 (i) hospital waste as defined in 40 C.F.R. 60.51c; or  
3312 (ii) medical/infectious waste as defined in 40 C.F.R. 60.51c.
- 3313 (155) "Watercraft" means a vessel as defined in Section 73-18-2.
- 3314 (156) "Wind energy" means wind used as the sole source of energy to produce electricity.
- 3315 (157) "ZIP Code" means a Zoning Improvement Plan Code assigned to a geographic  
3316 location by the United States Postal Service.
- 3317 Section 18. Section **59-12-103** is amended to read:  
3318 **59-12-103 (Effective 07/01/26). Sales and use tax base -- Rates -- Effective dates**  
3319 **-- Use of sales and use tax revenue.**
- 3320 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or sales  
3321 price for amounts paid or charged for the following transactions:  
3322 (a) retail sales of tangible personal property made within the state;  
3323 (b) amounts paid for:  
3324 (i) telecommunications service, other than mobile telecommunications service, that  
3325 originates and terminates within the boundaries of this state;  
3326 (ii) mobile telecommunications service that originates and terminates within the  
3327 boundaries of one state only to the extent permitted by the Mobile

- 3328 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
- 3329 (iii) an ancillary service associated with a:
- 3330 (A) telecommunications service described in Subsection (1)(b)(i); or
- 3331 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
- 3332 (c) sales of the following for commercial use:
- 3333 (i) gas;
- 3334 (ii) electricity;
- 3335 (iii) heat;
- 3336 (iv) coal;
- 3337 (v) fuel oil; or
- 3338 (vi) other fuels;
- 3339 (d) sales of the following for residential use:
- 3340 (i) gas;
- 3341 (ii) electricity;
- 3342 (iii) heat;
- 3343 (iv) coal;
- 3344 (v) fuel oil; or
- 3345 (vi) other fuels;
- 3346 (e) sales of prepared food;
- 3347 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
- 3348 user fees for theaters, movies, operas, museums, planetariums, shows of any type or
- 3349 nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,
- 3350 menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling
- 3351 matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling
- 3352 lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts,
- 3353 ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides,
- 3354 river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or
- 3355 any other amusement, entertainment, recreation, exhibition, cultural, or athletic
- 3356 activity;
- 3357 (g) amounts paid or charged for services for repairs or renovations of tangible personal
- 3358 property, unless Section 59-12-104 provides for an exemption from sales and use tax
- 3359 for:
- 3360 (i) the tangible personal property; and
- 3361 (ii) parts used in the repairs or renovations of the tangible personal property described

- 3362 in Subsection (1)(g)(i), regardless of whether:
- 3363 (A) any parts are actually used in the repairs or renovations of that tangible
- 3364 personal property; or
- 3365 (B) the particular parts used in the repairs or renovations of that tangible personal
- 3366 property are exempt from a tax under this chapter;
- 3367 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for assisted
- 3368 cleaning or washing of tangible personal property;
- 3369 (i) amounts paid or charged for short-term rentals of tourist home, hotel, motel, or trailer
- 3370 court accommodations and services;
- 3371 (j) amounts paid or charged for laundry or dry cleaning services;
- 3372 (k) amounts paid or charged for leases or rentals of tangible personal property if within
- 3373 this state the tangible personal property is:
- 3374 (i) stored;
- 3375 (ii) used; or
- 3376 (iii) otherwise consumed;
- 3377 (l) amounts paid or charged for tangible personal property if within this state the tangible
- 3378 personal property is:
- 3379 (i) stored;
- 3380 (ii) used; or
- 3381 (iii) consumed;
- 3382 (m) amounts paid or charged for a sale:
- 3383 (i)(A) of a product transferred electronically; or
- 3384 (B) of a repair or renovation of a product transferred electronically; and
- 3385 (ii) regardless of whether the sale provides:
- 3386 (A) a right of permanent use of the product; or
- 3387 (B) a right to use the product that is less than a permanent use, including a right:
- 3388 (I) for a definite or specified length of time; and
- 3389 (II) that terminates upon the occurrence of a condition; and
- 3390 (n) sales of leased tangible personal property from the lessor to the lessee made in the
- 3391 state.
- 3392 (2)(a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax are
- 3393 imposed on a transaction described in Subsection (1) equal to the sum of:
- 3394 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
- 3395 (A) 4.70% [~~plus~~];

- 3396 ~~(B)~~ the rate specified in Subsection ~~[(H)(a)]~~ (6)(a); and
- 3397 ~~[(B)]~~ (C)~~[(F)]~~ the tax rate the state imposes in accordance with Part 18,
- 3398 ~~Additional State Sales and Use Tax Act, if the location of the transaction as~~
- 3399 ~~determined under Sections 59-12-211 through 59-12-215 is in a county in~~
- 3400 ~~which the state imposes the tax under Part 18, Additional State Sales and~~
- 3401 ~~Use Tax Act; and]~~
- 3402 [(H)] the tax rate the state imposes in accordance with Part 20, Supplemental
- 3403 State Sales and Use Tax Act, if the location of the transaction as determined
- 3404 under Sections 59-12-211 through 59-12-215 is in a city, town, or the
- 3405 unincorporated area of a county in which the state imposes the tax under
- 3406 Part 20, Supplemental State Sales and Use Tax Act; and
- 3407 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 3408 transaction under this chapter other than this part.
- 3409 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state
- 3410 tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal
- 3411 to the sum of:
- 3412 (i) a state tax imposed on the transaction at a tax rate of 2%; and
- 3413 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 3414 transaction under this chapter other than this part.
- 3415 (c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are imposed
- 3416 on amounts paid or charged for food and food ingredients equal to the sum of:
- 3417 (i) a state tax imposed on the amounts paid or charged for food and food ingredients
- 3418 at a tax rate of 1.75%; and
- 3419 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 3420 amounts paid or charged for food and food ingredients under this chapter other
- 3421 than this part.
- 3422 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid
- 3423 or charged for fuel to a common carrier that is a railroad for use in a locomotive
- 3424 engine at a rate ~~[of 4.85%.]~~ equal to the sum of the rates described in Subsections
- 3425 (2)(a)(i)(A) and (2)(a)(i)(B).
- 3426 (e)(i)~~[(A)]~~ If a shared vehicle owner certifies to the commission, on a form
- 3427 prescribed by the commission, that the shared vehicle is an individual-owned
- 3428 shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to
- 3429 car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle

- 3430 owner.]
- 3431 (A) The rates described in Subsections (2)(a)(i)(A) and (2)(a)(i)(B) do not apply to
- 3432 car sharing, a car sharing program, a shared vehicle driver, or a shared vehicle
- 3433 owner, for a car sharing or shared vehicle transaction if a shared vehicle owner
- 3434 certifies to the commission, on a form prescribed by the commission, that the
- 3435 shared vehicle is an individual-owned shared vehicle.
- 3436 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is
- 3437 required once during the time that the shared vehicle owner owns the shared
- 3438 vehicle.
- 3439 (C) The commission shall verify that a shared vehicle is an individual-owned
- 3440 shared vehicle by verifying that the applicable Utah taxes imposed under this
- 3441 chapter were paid on the purchase of the shared vehicle.
- 3442 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified
- 3443 individual-owned shared vehicle shared through a car-sharing program even if
- 3444 non-certified shared vehicles are also available to be shared through the same
- 3445 car-sharing program.
- 3446 (ii) A tax imposed under Subsection [~~(2)(a)(i)(B)~~] (2)(a)(i)(C) or (2)(a)(ii) applies to
- 3447 car sharing.
- 3448 (iii)(A) A car-sharing program may rely in good faith on a shared vehicle owner's
- 3449 representation that the shared vehicle is an individual-owned shared vehicle
- 3450 certified with the commission as described in Subsection (2)(e)(i).
- 3451 (B) If a car-sharing program relies in good faith on a shared vehicle owner's
- 3452 representation that the shared vehicle is an individual-owned shared vehicle
- 3453 certified with the commission as described in Subsection (2)(e)(i), the
- 3454 car-sharing program is not liable for any tax, penalty, fee, or other sanction
- 3455 imposed on the shared vehicle owner.
- 3456 (iv) If all shared vehicles shared through a car-sharing program are certified as
- 3457 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has
- 3458 no obligation to collect and remit the tax under [~~Subsection (2)(a)(i)(A)]~~
- 3459 Subsections (2)(a)(i)(A) and (2)(a)(i)(B) for that tax period.
- 3460 (v) A car-sharing program is not required to list or otherwise identify an
- 3461 individual-owned shared vehicle on a return or an attachment to a return.
- 3462 (vi) A car-sharing program shall:
- 3463 (A) retain tax information for each car-sharing program transaction; and

- 3464 (B) provide the information described in Subsection (2)(e)(vi)(A) to the  
 3465 commission at the commission's request.
- 3466 (f)(i) For a bundled transaction that is attributable to food and food ingredients and  
 3467 tangible personal property other than food and food ingredients, a state tax and a  
 3468 local tax is imposed on the entire bundled transaction equal to the sum of:
- 3469 (A) ~~[a state tax imposed on the entire bundled transaction equal to the sum of:]~~ the  
 3470 tax rates described in Subsection (2)(a)(i); and  
 3471 ~~[(F) the tax rate described in Subsection (2)(a)(i)(A); and]~~  
 3472 ~~[(H)(Aa) the tax rate the state imposes in accordance with Part 18,~~  
 3473 ~~Additional State Sales and Use Tax Act, if the location of the transaction~~  
 3474 ~~as determined under Sections 59-12-211 through 59-12-215 is in a~~  
 3475 ~~county in which the state imposes the tax under Part 18, Additional State~~  
 3476 ~~Sales and Use Tax Act; and]~~  
 3477 ~~[(Bb) the tax rate the state imposes in accordance with Part 20,~~  
 3478 ~~Supplemental State Sales and Use Tax Act, if the location of the~~  
 3479 ~~transaction as determined under Sections 59-12-211 through 59-12-215~~  
 3480 ~~is in a city, town, or the unincorporated area of a county in which the~~  
 3481 ~~state imposes the tax under Part 20, Supplemental State Sales and Use~~  
 3482 ~~Tax Act; and]~~
- 3483 (B) a local tax imposed on the entire bundled transaction at the sum of the tax  
 3484 rates described in Subsection (2)(a)(ii).
- 3485 (ii) If an optional computer software maintenance contract is a bundled transaction  
 3486 that consists of taxable and nontaxable products that are not separately itemized  
 3487 on an invoice or similar billing document, the purchase of the optional computer  
 3488 software maintenance contract is 40% taxable under this chapter and 60%  
 3489 nontaxable under this chapter.
- 3490 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled  
 3491 transaction described in Subsection (2)(f)(i) or (ii):
- 3492 (A) if the sales price of the bundled transaction is attributable to tangible personal  
 3493 property, a product, or a service that is subject to taxation under this chapter  
 3494 and tangible personal property, a product, or service that is not subject to  
 3495 taxation under this chapter, the entire bundled transaction is subject to taxation  
 3496 under this chapter unless:
- 3497 (I) the seller is able to identify by reasonable and verifiable standards the

- 3498                   tangible personal property, product, or service that is not subject to taxation  
3499                   under this chapter from the books and records the seller keeps in the seller's  
3500                   regular course of business; or
- 3501                   (II) state or federal law provides otherwise; or
- 3502                   (B) if the sales price of a bundled transaction is attributable to two or more items  
3503                   of tangible personal property, products, or services that are subject to taxation  
3504                   under this chapter at different rates, the entire bundled transaction is subject to  
3505                   taxation under this chapter at the higher tax rate unless:
- 3506                   (I) the seller is able to identify by reasonable and verifiable standards the  
3507                   tangible personal property, product, or service that is subject to taxation  
3508                   under this chapter at the lower tax rate from the books and records the seller  
3509                   keeps in the seller's regular course of business; or
- 3510                   (II) state or federal law provides otherwise.
- 3511                   (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the  
3512                   seller's regular course of business includes books and records the seller keeps in  
3513                   the regular course of business for nontax purposes.
- 3514                   (g)(i) Except as otherwise provided in this chapter and subject to Subsections  
3515                   (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible  
3516                   personal property, a product, or a service that is subject to taxation under this  
3517                   chapter, and the sale, lease, or rental of tangible personal property, other property,  
3518                   a product, or a service that is not subject to taxation under this chapter, the entire  
3519                   transaction is subject to taxation under this chapter unless the seller, at the time of  
3520                   the transaction:
- 3521                   (A) separately states the portion of the transaction that is not subject to taxation  
3522                   under this chapter on an invoice, bill of sale, or similar document provided to  
3523                   the purchaser; or
- 3524                   (B) is able to identify by reasonable and verifiable standards, from the books and  
3525                   records the seller keeps in the seller's regular course of business, the portion of  
3526                   the transaction that is not subject to taxation under this chapter.
- 3527                   (ii) A purchaser and a seller may correct the taxability of a transaction if:
- 3528                   (A) after the transaction occurs, the purchaser and the seller discover that the  
3529                   portion of the transaction that is not subject to taxation under this chapter was  
3530                   not separately stated on an invoice, bill of sale, or similar document provided  
3531                   to the purchaser because of an error or ignorance of the law; and



3532 (B) the seller is able to identify by reasonable and verifiable standards, from the  
 3533 books and records the seller keeps in the seller's regular course of business, the  
 3534 portion of the transaction that is not subject to taxation under this chapter.

3535 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller  
 3536 keeps in the seller's regular course of business includes books and records the  
 3537 seller keeps in the regular course of business for nontax purposes.

3538 (h)(i) If the sales price of a transaction is attributable to two or more items of tangible  
 3539 personal property, products, or services that are subject to taxation under this  
 3540 chapter at different rates, the entire purchase is subject to taxation under this  
 3541 chapter at the higher tax rate unless the seller, at the time of the transaction:

3542 (A) separately states the items subject to taxation under this chapter at each of the  
 3543 different rates on an invoice, bill of sale, or similar document provided to the  
 3544 purchaser; or

3545 (B) is able to identify by reasonable and verifiable standards the tangible personal  
 3546 property, product, or service that is subject to taxation under this chapter at the  
 3547 lower tax rate from the books and records the seller keeps in the seller's regular  
 3548 course of business.

3549 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the  
 3550 seller's regular course of business includes books and records the seller keeps in  
 3551 the regular course of business for nontax purposes.

3552 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate  
 3553 imposed under the following shall take effect on the first day of a calendar quarter:

3554 (i) Subsection (2)(a)(i)(A);

3555 (ii) Subsection (2)(a)(i)(B);

3556 [~~(ii)~~] (iii) Subsection (2)(b)(i);

3557 [~~(iii)~~] (iv) Subsection (2)(c)(i); or

3558 [~~(iv)~~] (v) Subsection (2)(f)(i)(A)[~~(F)~~].

3559 (j)(i) A tax rate increase takes effect on the first day of the first billing period that  
 3560 begins on or after the effective date of the tax rate increase if the billing period for  
 3561 the transaction begins before the effective date of a tax rate increase imposed  
 3562 under:

3563 (A) Subsection (2)(a)(i)(A);

3564 (B) Subsection (2)(a)(i)(B);

3565 [~~(B)~~] (C) Subsection (2)(b)(i);

- 3566            ~~[(C)]~~ (D) Subsection (2)(c)(i); or  
 3567            ~~[(D)]~~ (E) Subsection (2)(f)(i)(A)~~[(H)]~~.
- 3568            (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
 3569            statement for the billing period is rendered on or after the effective date of the  
 3570            repeal of the tax or the tax rate decrease imposed under:
- 3571            (A) Subsection (2)(a)(i)(A);  
 3572            (B) Subsection (2)(a)(i)(B);  
 3573            ~~[(B)]~~ (C) Subsection (2)(b)(i);  
 3574            ~~[(C)]~~ (D) Subsection (2)(c)(i); or  
 3575            ~~[(D)]~~ (E) Subsection (2)(f)(i)(A)~~[(H)]~~.
- 3576            (k)(i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale  
 3577            is computed on the basis of sales and use tax rates published in the catalogue, a  
 3578            tax rate repeal or change in a tax rate takes effect:
- 3579            (A) on the first day of a calendar quarter; and  
 3580            (B) beginning 60 days after the effective date of the tax rate repeal or tax rate  
 3581            change.
- 3582            (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
- 3583            (A) Subsection (2)(a)(i)(A);  
 3584            (B) Subsection (2)(a)(i)(B);  
 3585            ~~[(B)]~~ (C) Subsection (2)(b)(i);  
 3586            ~~[(C)]~~ (D) Subsection (2)(c)(i); or  
 3587            ~~[(D)]~~ (E) Subsection (2)(f)(i)(A)~~[(H)]~~.
- 3588            (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
 3589            the commission may by rule define the term "catalogue sale."
- 3590            (l)(i) For a location described in Subsection (2)(l)(ii), the commission shall determine  
 3591            the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel  
 3592            based on the predominant use of the gas, electricity, heat, coal, fuel oil, or other  
 3593            fuel at the location.
- 3594            (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,  
 3595            or other fuel is furnished through a single meter for two or more of the following  
 3596            uses:
- 3597            (A) a commercial use;  
 3598            (B) an industrial use; or  
 3599            (C) a residential use.

- 3600 (3)(a) The commission shall deposit the following state taxes [~~shall be deposited~~] into  
 3601 the General Fund:
- 3602 (i) the tax imposed by Subsection (2)(a)(i)(A);  
 3603 (ii) the tax imposed by Subsection (2)(b)(i);  
 3604 (iii) the tax imposed by Subsection (2)(c)(i); [~~and~~]  
 3605 (iv) the tax imposed by Subsection (2)(d); and  
 3606 [~~(iv)~~] (v) the tax imposed by Subsection (2)(f)(i)(A) [~~(F)~~].
- 3607 (b) The commission shall distribute the following local taxes [~~shall be distributed~~] to a  
 3608 county, city, or town as provided in this chapter:
- 3609 (i) the tax imposed by Subsection (2)(a)(ii);  
 3610 (ii) the tax imposed by Subsection (2)(b)(ii);  
 3611 (iii) the tax imposed by Subsection (2)(c)(ii); and  
 3612 (iv) the tax imposed by Subsection (2)(f)(i)(B).
- 3613 [~~(e) The state tax imposed by Subsection (2)(d) shall be deposited into the General Fund.]~~
- 3614 [~~(4)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,~~  
 3615 ~~2003, the lesser of the following amounts shall be expended as provided in~~  
 3616 ~~Subsections (4)(b) through (g):]~~
- 3617 [~~(i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:]~~  
 3618 [~~(A) by a 1/16% tax rate on the transactions described in Subsection (1); and]~~  
 3619 [~~(B) for the fiscal year; or]~~
- 3620 [~~(ii) \$17,500,000.]~~
- 3621 [~~(b)(i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount~~  
 3622 ~~described in Subsection (4)(a) shall be transferred each year as designated sales~~  
 3623 ~~and use tax revenue to the Division of Wildlife Resources to:]~~
- 3624 [~~(A) implement the measures described in Subsections 23A-3-214(3)(a) through~~  
 3625 ~~(d) to protect sensitive plant and animal species; or]~~
- 3626 [~~(B) award grants, up to the amount authorized by the Legislature in an~~  
 3627 ~~appropriations act, to political subdivisions of the state to implement the~~  
 3628 ~~measures described in Subsections 23A-3-214(3)(a) through (d) to protect~~  
 3629 ~~sensitive plant and animal species.]~~
- 3630 [~~(ii) Money transferred to the Division of Wildlife Resources under Subsection~~  
 3631 ~~(4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or~~  
 3632 ~~any other person to list or attempt to have listed a species as threatened or~~  
 3633 ~~endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et~~

3634 seq.]

3635 [(iii) At the end of each fiscal year:]

3636 [(A) 50% of any unexpended designated sales and use tax revenue shall lapse to

3637 the Water Resources Conservation and Development Fund created in Section

3638 73-10-24;]

3639 [(B) 25% of any unexpended designated sales and use tax revenue shall lapse to

3640 the Utah Wastewater Loan Program Subaccount created in Section 73-10e-5;

3641 and]

3642 [(C) 25% of any unexpended designated sales and use tax revenue shall lapse to

3643 the Drinking Water Loan Program Subaccount created in Section 73-10e-5.]

3644 [(e) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in

3645 Subsection (4)(a) shall be deposited each year in the Agriculture Resource

3646 Development Fund created in Section 4-18-106.]

3647 [(d)(i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount

3648 described in Subsection (4)(a) shall be transferred each year as designated sales

3649 and use tax revenue to the Division of Water Rights to cover the costs incurred in

3650 hiring legal and technical staff for the adjudication of water rights.]

3651 [(ii) At the end of each fiscal year:]

3652 [(A) 50% of any unexpended designated sales and use tax revenue shall lapse to

3653 the Water Resources Conservation and Development Fund created in Section

3654 73-10-24;]

3655 [(B) 25% of any unexpended designated sales and use tax revenue shall lapse to

3656 the Utah Wastewater Loan Program Subaccount created in Section 73-10e-5;

3657 and]

3658 [(C) 25% of any unexpended designated sales and use tax revenue shall lapse to

3659 the Drinking Water Loan Program Subaccount created in Section 73-10e-5.]

3660 [(e)(i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount

3661 described in Subsection (4)(a) shall be deposited into the Water Resources

3662 Conservation and Development Fund created in Section 73-10-24 for use by the

3663 Division of Water Resources.]

3664 [(ii) In addition to the uses allowed of the Water Resources Conservation and

3665 Development Fund under Section 73-10-24, the Water Resources Conservation

3666 and Development Fund may also be used to:]

3667 [(A) conduct hydrologic and geotechnical investigations by the Division of Water

3668 Resources in a cooperative effort with other state, federal, or local entities, for  
 3669 the purpose of quantifying surface and ground water resources and describing  
 3670 the hydrologic systems of an area in sufficient detail so as to enable local and  
 3671 state resource managers to plan for and accommodate growth in water use  
 3672 without jeopardizing the resource;]

3673 [(B) fund state required dam safety improvements; and]

3674 [(C) protect the state's interest in interstate water compact allocations, including  
 3675 the hiring of technical and legal staff.]

3676 [(f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described  
 3677 in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program  
 3678 Subaccount created in Section 73-10e-5 for use by the Water Quality Board to fund  
 3679 wastewater projects.]

3680 [(g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described  
 3681 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program  
 3682 Subaccount created in Section 73-10e-5 for use by the Division of Drinking Water to:]

3683 [(i) provide for the installation and repair of collection, treatment, storage, and  
 3684 distribution facilities for any public water system, as defined in Section 19-4-102;]

3685 [(ii) develop underground sources of water, including springs and wells; and]

3686 [(iii) develop surface water sources.]

3687 (4)(a) Notwithstanding Subsection (3)(a), for each fiscal year the commission shall make  
 3688 the deposits described in Subsections (4)(b) through (4)(h) from the revenue from the  
 3689 taxes imposed by:

3690 (i) Subsection (2)(a)(i)(A);

3691 (ii) Subsection (2)(b)(i);

3692 (iii) Subsection (2)(c)(i); and

3693 (iv) Subsection (2)(f)(i)(A).

3694 (b) The commission shall deposit 15% of the difference between 1.4543% of the  
 3695 revenue described in Subsection (4)(a) and the deposits made under Subsection (5)(b),  
 3696 into the Water Rights Restricted Account created in Section 73-2-1.6.

3697 (c) The commission shall deposit 85% of the difference between 1.4543% of the revenue  
 3698 described in Subsection (4)(a) and the deposits made under Subsection (5)(b), into  
 3699 the Water Resources Conservation and Development Fund created in Section  
 3700 73-10-24 for use by the Division of Water Resources for:

3701 (i) preconstruction costs:

- 3702            (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73,  
3703            Chapter 26, Bear River Development Act; and
- 3704            (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project  
3705            authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;  
3706            (ii) the cost of employing a civil engineer to oversee any project authorized by Title  
3707            73, Chapter 26, Bear River Development Act;
- 3708            (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline  
3709            project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development  
3710            Act; and
- 3711            (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and  
3712            Subsection (5)(b)(iv)(B) after funding the uses specified in Subsections (4)(c)(i)  
3713            through (iii).
- 3714            (d) The commission shall deposit 1.4543% of the revenue described in Subsection (4)(a)  
3715            into the Water Infrastructure Restricted Account created in Section 73-10g-103.
- 3716            (e)(i) Subject to Subsection (4)(e)(ii), the commission shall deposit 19.24% of the  
3717            revenue described in Subsection (4)(a) into the Transportation Investment Fund of  
3718            2005 created in Section 72-2-124.
- 3719            (ii) The commission shall annually reduce the deposit described in Subsection  
3720            (4)(e)(i) by the sum of:
- 3721            (A) \$1,813,400;
- 3722            (B) the earmark described in Subsection (5)(c); and
- 3723            (C) an amount equal to 35% of the revenue generated in the current fiscal year by  
3724            the portion of the tax imposed on motor and special fuel that is sold, used, or  
3725            received in the state that exceeds 29.4 cents per gallon.
- 3726            (iii) The amount described in Subsection (4)(e)(ii)(C) shall be annually deposited into  
3727            the Transit Transportation Investment Fund created in Section 72-2-124.
- 3728            (f) The commission shall deposit .44% of the revenue described in Subsection (4)(a) into  
3729            the Cottonwood Canyons Transportation Investment Fund created in Section  
3730            72-2-124.
- 3731            (g) The commission shall deposit 1% of the revenue described in Subsection (4)(a) into  
3732            the Commuter Rail Subaccount created in Section 72-2-124.
- 3733            (h) The commission shall deposit 1% of the revenue described in Subsection (4)(a) into  
3734            the Outdoor Recreation Adventure Infrastructure Restricted Account created in  
3735            Section 51-9-902.

3736 [~~(5)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,~~  
3737 ~~2006, the difference between the following amounts shall be expended as provided in~~  
3738 ~~this Subsection (5), if that difference is greater than \$1:~~]

3739       [(i) ~~for taxes listed under Subsection (3)(a), the amount of tax revenue generated for~~  
3740       ~~the fiscal year by a 1/16% tax rate on the transactions described in Subsection (1);~~  
3741       ~~and]~~

3742       [(ii) ~~\$17,500,000.]~~

3743 [(b)(i) ~~The first \$500,000 of the difference described in Subsection (5)(a) shall be:~~]

3744       [(A) ~~transferred each fiscal year to the Department of Natural Resources as~~  
3745       ~~designated sales and use tax revenue; and]~~

3746       [(B) ~~expended by the Department of Natural Resources for watershed~~  
3747       ~~rehabilitation or restoration.]~~

3748       [(ii) ~~At the end of each fiscal year, 100% of any unexpended designated sales and use~~  
3749       ~~tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources~~  
3750       ~~Conservation and Development Fund created in Section 73-10-24.]~~

3751 [(c)(i) ~~After making the transfer required by Subsection (5)(b)(i), \$150,000 of the~~  
3752       ~~remaining difference described in Subsection (5)(a) shall be:~~]

3753       [(A) ~~transferred each fiscal year to the Division of Water Resources as designated~~  
3754       ~~sales and use tax revenue; and]~~

3755       [(B) ~~expended by the Division of Water Resources for cloud-seeding projects~~  
3756       ~~authorized by Title 73, Chapter 15, Modification of Weather.]~~

3757       [(ii) ~~At the end of each fiscal year, 100% of any unexpended designated sales and use~~  
3758       ~~tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources~~  
3759       ~~Conservation and Development Fund created in Section 73-10-24.]~~

3760 [(d) ~~After making the transfers required by Subsections (5)(b) and (c), 85% of the~~  
3761       ~~remaining difference described in Subsection (5)(a) shall be deposited into the Water~~  
3762       ~~Resources Conservation and Development Fund created in Section 73-10-24 for use~~  
3763       ~~by the Division of Water Resources for:~~]

3764       [(i) ~~preconstruction costs:~~]

3765       [(A) ~~as defined in Subsection 73-26-103(6) for projects authorized by Title 73,~~  
3766       ~~Chapter 26, Bear River Development Act; and]~~

3767       [(B) ~~as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project~~  
3768       ~~authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;]~~

3769       [(ii) ~~the cost of employing a civil engineer to oversee any project authorized by Title~~

3770 ~~73, Chapter 26, Bear River Development Act;]~~  
3771 ~~[(iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline~~  
3772 ~~project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development~~  
3773 ~~Act; and]~~  
3774 ~~[(iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and~~  
3775 ~~Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i)~~  
3776 ~~through (iii).]~~  
3777 ~~[(e) After making the transfers required by Subsections (5)(b) and (c), 15% of the~~  
3778 ~~remaining difference described in Subsection (5)(a) shall be deposited each year into~~  
3779 ~~the Water Rights Restricted Account created by Section 73-2-1.6.]~~  
3780 (5)(a) Notwithstanding Subsection (3)(a), each fiscal year the commission shall make  
3781 the deposits described in this Subsection (5).  
3782 (b)(i)(A) The commission shall deposit \$500,000 to the Department of Natural  
3783 Resources to be used for watershed rehabilitation or restoration.  
3784 (B) At the end of each fiscal year, 100% of any unexpended amount described in  
3785 Subsection (5)(b)(i)(A) shall lapse into the Water Resources Conservation and  
3786 Development Fund created in Section 73-10-24.  
3787 (ii) The commission shall deposit \$150,000 to the Division of Water Resources for  
3788 cloud-seeding projects authorized by Title 73, Chapter 15, Modification of  
3789 Weather.  
3790 (iii) The commission shall deposit \$525,000 into the Division of Conservation  
3791 created in Section 4-46-401 to implement water related programs.  
3792 (iv) The commission shall deposit \$7,175,000 into the Water Resources Conservation  
3793 and Development Fund created in Section 73-10-24 for use by the Division of  
3794 Water Resources for:  
3795 (A) the uses allowed of the Water Resources Conservation and Development Fund  
3796 under Section 73-10-24;  
3797 (B) to conduct hydrologic and geotechnical investigations by the Division of  
3798 Water Resources in a cooperative effort with other state, federal, or local  
3799 entities, for the purpose of quantifying surface and ground water resources and  
3800 describing the hydrologic systems of an area in sufficient detail so as to enable  
3801 local and state resource managers to plan for and accommodate growth in  
3802 water use without jeopardizing the resource;  
3803 (C) to fund state required dam safety improvements; and



- 3804 (D) to protect the states interest in interstate water compact allocations, including  
3805 the hiring of technical and legal staff.
- 3806 (v) The commission shall deposit \$3,587,500 into the Utah Wastewater Loan  
3807 Program Subaccount created in Section 73-10c-5 for use by the Water Quality  
3808 Board to fund wastewater projects.
- 3809 (vi) The commission shall deposit \$3,587,500 into the Drinking Water Loan Program  
3810 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water  
3811 to:
- 3812 (A) provide for the installation and repair of collection, treatment, storage, and  
3813 distribution facilities for any public water system, as defined in Section  
3814 19-4-102;
- 3815 (B) develop underground sources of water, including springs and wells; and  
3816 (C) develop surface water sources.
- 3817 (vii) The commission shall deposit \$2,450,000 to the Division of Wildlife Resources  
3818 to:
- 3819 (A) implement the measures described in Subsections 23A-3-214(3)(a) through  
3820 (d) to protect sensitive plant and animal species; or
- 3821 (B) award grants, up to the amount authorized by the Legislature in an  
3822 appropriations act, to political subdivisions of the state to implement the  
3823 measures described in Subsections 23A-3-214(3)(a) through (d) to protect  
3824 sensitive plant and animal species.
- 3825 (viii) Funds transferred to the Division of Wildlife Resources under Subsection  
3826 (5)(b)(vii)(A) may not be used to assist the United States Fish and Wildlife  
3827 Service or any other person to list or attempt to have listed a species as threatened  
3828 or endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531, et  
3829 seq.
- 3830 (ix) At the end of each fiscal year, any unexpended amounts described in Subsections  
3831 (5)(b)(vii)(A) and (B) shall lapse:
- 3832 (A) 50% into the Water Resources Conservation and Development Fund created  
3833 in Section 73-10-24;
- 3834 (B) 25% into the Utah Wastewater Loan Program Subaccount created in Section  
3835 73-10c-5; and
- 3836 (C) 25% into the Drinking Water Loan Program Subaccount created in Section  
3837 73-10c-5.

- 3838           (x) The commission shall allocate \$175,000 to the Division of Water Rights to cover  
 3839           the costs incurred in hiring legal and technical staff for the adjudication of water  
 3840           rights.
- 3841           (xi) At the end of each fiscal year any unexpended amounts described in Subsection  
 3842           (5)(b)(x) shall lapse:
- 3843           (A) 50% into the Water Resources Conservation and Development Fund created  
 3844           in Section 73-10-24;
- 3845           (B) 25% into the Utah Wastewater Loan Program Subaccount created in Section  
 3846           73-10c-5; and
- 3847           (C) 25% into the Drinking Water Loan Program Subaccount created in Section  
 3848           73-10c-5.
- 3849           (c) The commission shall deposit \$45,000,000 into the Active Transportation Investment  
 3850           Fund created in Section 72-2-124.
- 3851           (d) The commission shall deposit \$533,750 into the Qualified Emergency Food  
 3852           Agencies Fund created by and expended in accordance with Section 35A-8-1009.
- 3853           (e) The commission shall deposit \$200,000 into the General Fund as a dedicated credit  
 3854           for the sole use of the Search and Rescue Financial Assistance Program created by  
 3855           and to be expended in accordance with, Title 53, Chapter 2a, Part 11, Search and  
 3856           Rescue Act.
- 3857           ~~[(6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each~~  
 3858           ~~fiscal year, the commission shall deposit into the Water Infrastructure Restricted~~  
 3859           ~~Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax~~  
 3860           ~~rate on the transactions described in Subsection (1) for the fiscal year.]~~
- 3861           ~~[(7)(a) Notwithstanding Subsection (3)(a) and subject to Subsections (7)(b), (c), and~~  
 3862           ~~(d), for a fiscal year beginning on or after July 1, 2023, the commission shall deposit~~  
 3863           ~~into the Transportation Investment Fund of 2005 created by Section 72-2-124 a~~  
 3864           ~~portion of the taxes listed under Subsection (3)(a) equal to 17% of the revenue~~  
 3865           ~~collected from the following sales and use taxes:]~~
- 3866           ~~[(i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;]~~
- 3867           ~~[(ii) the tax imposed by Subsection (2)(b)(i);]~~
- 3868           ~~[(iii) the tax imposed by Subsection (2)(c)(i); and]~~
- 3869           ~~[(iv) the tax imposed by Subsection (2)(f)(i)(A)(I).]~~
- 3870           ~~[(b)(i) For a fiscal year beginning on or after July 1, 2024, the commission shall~~  
 3871           ~~annually reduce the deposit under Subsection (7)(a) into the Transportation~~

3872 Investment Fund of 2005 by an amount equal to .44% of the revenue collected  
3873 from the following sales and use taxes:]

3874 [(A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;]  
3875 [(B) the tax imposed by Subsection (2)(b)(i);]  
3876 [(C) the tax imposed by Subsection (2)(c)(i); and]  
3877 [(D) the tax imposed by Subsection (2)(f)(i)(A)(I).]

3878 [(ii) The commission shall annually deposit the amount described in Subsection  
3879 (7)(b)(i) into the Cottonwood Canyons Transportation Investment Fund created in  
3880 Section 72-2-124.]

3881 [(c)(i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,  
3882 2023, the commission shall annually reduce the deposit into the Transportation  
3883 Investment Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is  
3884 equal to 5% of:]

3885 [(A) the amount of revenue generated in the current fiscal year by the portion of  
3886 taxes listed under Subsection (3)(a) that equals 20.68% of the revenue  
3887 collected from taxes described in Subsections (7)(a)(i) through (iv);]  
3888 [(B) the amount of revenue generated in the current fiscal year by registration fees  
3889 designated under Section 41-1a-1201 to be deposited into the Transportation  
3890 Investment Fund of 2005; and]  
3891 [(C) revenue transferred by the Division of Finance to the Transportation  
3892 Investment Fund of 2005 in accordance with Section 72-2-106 in the current  
3893 fiscal year.]

3894 [(ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a  
3895 given fiscal year.]

3896 [(iii) The commission shall annually deposit the amount described in Subsection  
3897 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection  
3898 72-2-124(11).]

3899 [(d)(i) For a fiscal year beginning on or after July 1, 2024, the commission shall  
3900 annually reduce the deposit into the Transportation Investment Fund of 2005  
3901 under this Subsection (7) by an amount that is equal to 1% of the revenue  
3902 collected from the following sales and use taxes:]

3903 [(A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;]  
3904 [(B) the tax imposed by Subsection (2)(b)(i);]  
3905 [(C) the tax imposed by Subsection (2)(c)(i); and]

3906           ~~[(D) the tax imposed by Subsection (2)(f)(i)(A)(I).]~~

3907           [(ii) The commission shall annually deposit the amount described in Subsection

3908           ~~(7)(d)(i) into the Commuter Rail Subaccount created in Section 72-2-124.]~~

3909   [(8)(a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under

3910           Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year

3911           beginning on or after July 1, 2018, the commission shall annually deposit into the

3912           Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the

3913           taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenue

3914           collected from the following taxes:]

3915           [(i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;]

3916           [(ii) the tax imposed by Subsection (2)(b)(i);]

3917           [(iii) the tax imposed by Subsection (2)(c)(i); and]

3918           [(iv) the tax imposed by Subsection (2)(f)(i)(A)(I).]

3919   [(b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually

3920           reduce the deposit into the Transportation Investment Fund of 2005 under Subsection

3921           (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the

3922           current fiscal year by the portion of the tax imposed on motor and special fuel that is

3923           sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.]

3924   [(c) The commission shall annually deposit the amount described in Subsection (8)(b)

3925           into the Transit Transportation Investment Fund created in Section 72-2-124.]

3926   [(9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year

3927           2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies

3928           Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.]

3929   [(10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal

3930           year during which the commission receives notice under Section 63N-2-510 that

3931           construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the

3932           commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the

3933           revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact

3934           Mitigation Fund, created in Section 63N-2-512.]

3935   [(11)] (6)(a) The rate specified in this [subsection] Subsection (6) is 0.15%.

3936           (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning

3937           on or after July 1, 2019, annually transfer the amount of revenue collected from the

3938           rate described in Subsection [(11)(a)] (6)(a) on the transactions that are subject to the

3939           sales and use tax under Subsection [(2)(a)(i)(A)] (2)(a)(i)(B) into the Medicaid ACA

3940 Fund created in Section 26B-1-315.

3941 [~~(12)~~ Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year

3942 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated

3943 credit solely for use of the Search and Rescue Financial Assistance Program created in,

3944 and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.]

3945 [~~(13)~~(a) For each fiscal year beginning with fiscal year 2020-21, the commission shall

3946 annually transfer \$1,813,400 of the revenue deposited into the Transportation

3947 Investment Fund of 2005 under Subsections (7) and (8) to the General Fund.]

3948 [(b) If the total revenue deposited into the Transportation Investment Fund of 2005

3949 under Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the

3950 commission shall transfer the total revenue deposited into the Transportation

3951 Investment Fund of 2005 under Subsections (7) and (8) during the fiscal year to the

3952 General Fund.]

3953 [~~(14)~~] (7) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610,

3954 beginning the first day of the calendar quarter one year after the sales and use tax

3955 boundary for a housing and transit reinvestment zone is established, the commission, at

3956 least annually, shall transfer an amount equal to 15% of the sales and use tax increment

3957 within an established sales and use tax boundary, as defined in Section 63N-3-602, into

3958 the Transit Transportation Investment Fund created in Section 72-2-124.

3959 [~~(15)~~ Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning

3960 on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure Restricted

3961 Account, created in Section 51-9-902, a portion of the taxes listed under Subsection

3962 (3)(a) equal to 1% of the revenue collected from the following sales and use taxes:]

3963 [(a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;]

3964 [(b) the tax imposed by Subsection (2)(b)(i);]

3965 [(c) the tax imposed by Subsection (2)(c)(i); and]

3966 [(d) the tax imposed by Subsection (2)(f)(i)(A)(I).]

3967 [~~(16)~~] (8) Notwithstanding Subsection (3)(a), beginning October 1, 2024 the commission

3968 shall transfer to the Utah Fairpark Area Investment and Restoration District, created in

3969 Section 11-70-201, the revenue from the sales and use tax imposed by Subsection

3970 (2)(a)(i)(A)[~~at a 4.7% rate~~], on transactions occurring within the district sales tax area,

3971 as defined in Section 11-70-101.

3972 [~~(17)~~] (9)(a) As used in this Subsection [~~(17)~~] (9):

3973 (i) "Additional land" means point of the mountain state land described in Subsection

3974 11-59-102(6)(b) that the point of the mountain authority acquires after the point of  
 3975 the mountain authority provides the commission a map under Subsection [(17)(e)]  
 3976 (9)(c).

3977 (ii) "Point of the mountain authority" means the Point of the Mountain State Land  
 3978 Authority, created in Section 11-59-201.

3979 (iii) "Point of the mountain state land" means the same as that term is defined in  
 3980 Section 11-59-102.

3981 (b) Notwithstanding Subsection (3)(a), the commission shall distribute to the point of the  
 3982 mountain authority 50% of the revenue from the sales and use tax imposed by  
 3983 Subsection (2)(a)(i)(A)[-at a 4.7% rate], on transactions occurring on the point of the  
 3984 mountain state land.

3985 (c) The distribution under Subsection [(17)(b)] (9)(b) shall begin the next calendar  
 3986 quarter that begins at least 90 days after the point of the mountain authority provides  
 3987 the commission a map that:

3988 (i) accurately describes the point of the mountain state land; and

3989 (ii) the point of the mountain authority certifies as accurate.

3990 (d) A distribution under Subsection [(17)(b)] (9)(b) with respect to additional land shall  
 3991 begin the next calendar quarter that begins at least 90 days after the point of the  
 3992 mountain authority provides the commission a map of point of the mountain state  
 3993 land that:

3994 (i) accurately describes the point of the mountain state land, including the additional  
 3995 land; and

3996 (ii) the point of the mountain authority certifies as accurate.

3997 (e)(i) Upon the payment in full of bonds secured by the sales and use tax revenue  
 3998 distributed to the point of the mountain authority under Subsection [(17)(b)] (9)(b),  
 3999 the point of the mountain authority shall immediately notify the commission in  
 4000 writing that the bonds are paid in full.

4001 (ii) The commission shall discontinue distributions of sales and use tax revenue under  
 4002 Subsection [(17)(b)] (9)(b) at the beginning of the calendar quarter that begins at  
 4003 least 90 days after the date that the commission receives the written notice under  
 4004 Subsection [(17)(e)(i)] (9)(e)(i).

4005 (10) Notwithstanding Subsection (3)(a), the amount of state sales tax revenues described in  
 4006 Section 63N-2-503.5 is deposited into the Convention Incentive Fund created in Section  
 4007 63N-2-503.5.

4008 Section 19. Section **59-12-104.2** is amended to read:

4009 **59-12-104.2 (Effective 07/01/26). Exemption for accommodations and services**  
 4010 **taxed by the Navajo Nation.**

4011 (1) As used in this section "tribal taxing area" means the geographical area that:

4012 (a) is subject to the taxing authority of the Navajo Nation; and

4013 (b) consists of:

4014 (i) notwithstanding the issuance of a patent, all land:

4015 (A) within the limits of an Indian reservation under the jurisdiction of the federal  
 4016 government; and

4017 (B) including any rights-of-way running through the reservation; and

4018 (ii) all Indian allotments the Indian titles to which have not been extinguished,  
 4019 including any rights-of-way running through an Indian allotment.

4020 (2)(a) Beginning July 1, 2001, amounts paid by or charged to a purchaser for

4021 accommodations and services described in Subsection 59-12-103(1)(i) are exempt

4022 from the tax imposed by [~~Subsection 59-12-103(2)(a)(i)(A) or (2)(e)(i)(A)(F)~~]

4023 Subsections 59-12-103(2)(a)(i)(A) and (B) or Subsection 59-12-103(2)(e)(i)(A) to the

4024 extent permitted under Subsection (2)(b) if:

4025 (i) the accommodations and services described in Subsection 59-12-103(1)(i) are  
 4026 provided within:

4027 (A) the state; and

4028 (B) a tribal taxing area;

4029 (ii) the Navajo Nation imposes and collects a tax on the amounts paid by or charged  
 4030 to the purchaser for the accommodations and services described in Subsection  
 4031 59-12-103(1)(i);

4032 (iii) the Navajo Nation imposes the tax described in Subsection (2)(a)(ii) without  
 4033 regard to whether or not the purchaser that pays or is charged for the

4034 accommodations and services is an enrolled member of the Navajo Nation; and

4035 (iv) the requirements of Subsection (4) are met.

4036 (b) If but for Subsection (2)(a) the amounts paid by or charged to a purchaser for

4037 accommodations and services described in Subsection (2)(a) are subject to a tax

4038 imposed by [~~Subsection 59-12-103(2)(a)(i)(A) or (2)(e)(i)(A)(F)~~] Subsections

4039 59-12-103(2)(a)(i)(A) and (B) or Subsection 59-12-103(2)(e)(i)(A):

4040 (i) the seller shall collect and pay to the state the difference described in Subsection

4041 (3) if that difference is greater than \$0; and

- 4042 (ii) a person may not require the state to provide a refund, a credit, or similar tax  
 4043 relief if the difference described in Subsection (3) is equal to or less than \$0.
- 4044 (3) The difference described in Subsection (2)(b) is equal to the difference between:
- 4045 (a) the amount of tax imposed by [~~Subsection 59-12-103(2)(a)(i)(A) or (2)(e)(i)(A)(I)~~  
 4046 Subsections 59-12-103(2)(a)(i)(A) and (B) or Subsection 59-12-103(2)(e)(i)(A) on  
 4047 the amounts paid by or charged to a purchaser for accommodations and services  
 4048 described in Subsection 59-12-103(1)(i); less
- 4049 (b) the tax imposed and collected by the Navajo Nation on the amounts paid by or  
 4050 charged to a purchaser for the accommodations and services described in Subsection  
 4051 59-12-103(1)(i).
- 4052 (4)(a) If, on or after July 1, 2001, the Navajo Nation changes the tax rate of a tax  
 4053 imposed on amounts paid by or charged to a purchaser for accommodations and  
 4054 services described in Subsection 59-12-103(1)(i), any change in the amount of the  
 4055 exemption under Subsection (2) as a result of the change in the tax rate is not  
 4056 effective until the first day of the calendar quarter after a 90-day period beginning on  
 4057 the date the commission receives notice meeting the requirements of Subsection  
 4058 (4)(b) from the Navajo Nation.
- 4059 (b) The notice described in Subsection (4)(a) shall state:
- 4060 (i) that the Navajo Nation has changed or will change the tax rate of a tax imposed on  
 4061 amounts paid by or charged to a purchaser for accommodations and services  
 4062 described in Subsection 59-12-103(1)(i);
- 4063 (ii) the effective date of the rate change on the tax described in Subsection (4)(b)(i);  
 4064 and
- 4065 (iii) the new rate of the tax described in Subsection (4)(b)(i).
- 4066 Section 20. Section **59-12-1201** is amended to read:
- 4067 **59-12-1201 (Effective 07/01/26). Motor vehicle rental tax -- Rate -- Exemptions --**  
 4068 **Administration, collection, and enforcement of tax -- Administrative charge -- Deposits.**
- 4069 (1) As used in this section:
- 4070 (a) "Fairpark district board" means the board of the fairpark district.
- 4071 (b) "Fairpark district" means the Utah Fairpark Area Investment and Restoration  
 4072 District, created in Section 11-70-201.
- 4073 (c) "Franchise agreement date" means the same as that term is defined in Section  
 4074 11-70-101.
- 4075 (d) "Stadium contribution" means the same as that term is defined in Section 11-70-101.



- 4076 (e) "Transition date" means the first day of the calendar quarter that begins at least 90  
4077 days after the fairpark district board delivers to the commission the certificate  
4078 described in Subsection (2)(a)(ii)(B).
- 4079 (2)(a)(i) Except as provided in Subsections (4) and (5), there is imposed a tax of 2.5%  
4080 on all short-term rentals of motor vehicles.
- 4081 (ii)(A) In addition to the tax imposed under Subsection (2)(a)(i) and except as  
4082 provided in Subsections (4) and (5), beginning on the transition date there is  
4083 imposed a tax of 1.5% on all short-term leases and rentals of motor vehicles  
4084 not exceeding 30 days.
- 4085 (B) After the franchise agreement date, the fairpark district board shall deliver to  
4086 the commission a certificate verifying the execution of a franchise agreement,  
4087 as defined in Section 11-70-101, and providing the franchise agreement date.
- 4088 (C) A tax under this Subsection (2)(a)(ii) is imposed only if the franchise  
4089 agreement date is on or before June 30, 2032.
- 4090 (b) The tax imposed in this section is in addition to all other state, county, or municipal  
4091 fees and taxes imposed on rentals of motor vehicles.
- 4092 (3)(a) Subject to Subsection (3)(b), a tax rate repeal or tax rate change for the tax  
4093 imposed under Subsection (2) shall take effect on the first day of a calendar quarter.
- 4094 (b)(i) For a transaction subject to a tax under Subsection (2), a tax rate increase shall  
4095 take effect on the first day of the first billing period:
- 4096 (A) that begins after the effective date of the tax rate increase; and  
4097 (B) if the billing period for the transaction begins before the effective date of a tax  
4098 rate increase imposed under Subsection (2).
- 4099 (ii) For a transaction subject to a tax under Subsection (2), the repeal of a tax or a tax  
4100 rate decrease shall take effect on the first day of the last billing period:
- 4101 (A) that began before the effective date of the repeal of the tax or the tax rate  
4102 decrease; and  
4103 (B) if the billing period for the transaction begins before the effective date of the  
4104 repeal of the tax or the tax rate decrease imposed under Subsection [~~(1)~~] (2).
- 4105 (4) A tax imposed under this section applies at the same rate to car sharing of less than 30  
4106 days, except for car sharing for the purpose of temporarily replacing a person's motor  
4107 vehicle that is being repaired pursuant to a repair or an insurance agreement.
- 4108 (5) A motor vehicle is exempt from the tax imposed under this section if:
- 4109 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

- 4110 (b) the motor vehicle is rented as a personal household goods moving van; or  
4111 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily  
4112 replacing a person's motor vehicle that is being repaired pursuant to a repair  
4113 agreement or an insurance agreement.
- 4114 (6)(a)(i) The tax authorized under this section shall be administered, collected, and  
4115 enforced in accordance with:
- 4116 (A) the same procedures used to administer, collect, and enforce the tax under Part  
4117 1, Tax Collection; and  
4118 (B) Chapter 1, General Taxation Policies.
- 4119 (ii) Notwithstanding Subsection [~~(5)(a)(i)~~] (6)(a)(i), a tax under this part is not subject  
4120 to Subsections 59-12-103(4) through [~~(9)~~] (10) or Section 59-12-107.1 or  
4121 59-12-123.
- 4122 (b) The commission shall retain and deposit an administrative charge in accordance with  
4123 Section 59-1-306 from the revenue the commission collects from a tax under this part.
- 4124 (c) Except as provided under Subsections (6)(b) and (d):
- 4125 (i) the commission shall deposit daily with the state treasurer all revenue received  
4126 under this section; and  
4127 (ii) the state treasurer shall credit monthly all revenue received under this section to  
4128 the Marda Dillree Corridor Preservation Fund under Section 72-2-117.
- 4129 (d)(i) Subject to Subsection (6)(d)(iii), all revenue received by the commission under  
4130 Subsection (2)(a)(ii) shall be paid to the fairpark district.
- 4131 (ii) Within 10 days after the fairpark district completes payment of the stadium  
4132 contribution, the fairpark district board shall deliver to the commission a written  
4133 statement verifying that the fairpark district has completed payment of the stadium  
4134 contribution.
- 4135 (iii) Upon receipt of the written statement under Subsection (6)(d)(ii), the  
4136 commission shall:
- 4137 (A) discontinue collecting revenue under Subsection (2)(a)(ii), beginning the first  
4138 day of the calendar quarter that is at least 90 days after the commission's  
4139 receipt of the written statement;
- 4140 (B) discontinue distributing revenue under Subsection (2)(a)(ii) to the fairpark  
4141 district, beginning the first day of the calendar quarter that is at least 90 days  
4142 after the commission's receipt of the written statement; and  
4143 (C) notify the Executive Appropriations Committee of the Legislature that the

4144 commission is discontinuing collecting and distributing revenue under  
4145 Subsection (2)(a)(ii).

4146 Section 21. Section **63N-2-510** is amended to read:

4147 **63N-2-510 (Effective 07/01/26). Report by office -- Posting of report.**

4148 (1) The office shall include the following information in the office's annual written report  
4149 described in Section 63N-1a-306:

4150 (a) the state's success in attracting new conventions and corresponding new state  
4151 revenue;

4152 (b) the estimated amount of convention incentive commitments and the associated  
4153 calculation made by the office and the period of time over which convention  
4154 incentives are expected to be paid;

4155 (c) the economic impact on the state related to generating new state revenue and  
4156 providing convention incentives; and

4157 (d) the estimated and actual costs and economic benefits of the convention incentive  
4158 commitments that the office made.

4159 (2) Upon the commencement of the construction of a qualified hotel, the office shall send a  
4160 written notice to the Division of Finance[:]

4161 [~~(a) referring to the two annual deposits required under Subsection 59-12-103(10); and]~~

4162 [~~(b)~~] \_notifying the Division of Finance that construction on the qualified hotel has  
4163 begun.

4164 Section 22. Section **63N-2-512** is amended to read:

4165 **63N-2-512 (Effective 07/01/26). Hotel Impact Mitigation Fund.**

4166 (1) As used in this section:

4167 (a) "Affected hotel" means a hotel built in the state before July 1, 2014.

4168 (b) "Direct losses" means affected hotels' losses of hotel guest business attributable to  
4169 the qualified hotel room supply being added to the market in the state.

4170 (c) "Mitigation fund" means the Hotel Impact Mitigation Fund, created in Subsection (2).

4171 (2) There is created an expendable special revenue fund known as the Hotel Impact  
4172 Mitigation Fund.

4173 (3) The mitigation fund shall:

4174 (a) be administered by GOEO;

4175 (b) earn interest; and

4176 (c) be funded by:

4177 [~~(i) payments required to be deposited into the mitigation fund by the Division of~~

- 4178 ~~Finance under Subsection 59-12-103(10);]~~  
 4179 [(iii)] (i) money required to be deposited into the mitigation fund under Subsection  
 4180 17-31-9(2) by the county in which a qualified hotel is located; and  
 4181 [(iii)] (ii) any money deposited into the mitigation fund under Subsection (6).  
 4182 (4) Interest earned by the mitigation fund shall be deposited into the mitigation fund.  
 4183 (5)(a) In accordance with office rules, GOEO shall annually pay up to \$2,100,000 of  
 4184 money in the mitigation fund:  
 4185 (i) to affected hotels;  
 4186 (ii) for four consecutive years, beginning 12 months after the date of initial  
 4187 occupancy of the qualified hotel occurs; and  
 4188 (iii) to mitigate direct losses.  
 4189 (b)(i) If the amount GOEO pays under Subsection (5)(a) in any year is less than  
 4190 \$2,100,000, GOEO shall pay to the Stay Another Day and Bounce Back Fund,  
 4191 created in Section 63N-2-511, the difference between \$2,100,000 and the amount  
 4192 paid under Subsection (5)(a).  
 4193 (ii) GOEO shall make any required payment under Subsection (5)(b)(i) within 90  
 4194 days after the end of the year for which a determination is made of how much  
 4195 GOEO is required to pay to affected hotels under Subsection (5)(a).  
 4196 (6) A host local government or qualified hotel owner may make payments to the Division  
 4197 of Finance for deposit into the mitigation fund.  
 4198 (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
 4199 office shall, in consultation with the Utah Hotel and Lodging Association and the county  
 4200 in which the qualified hotel is located, make rules establishing procedures and criteria  
 4201 governing payments under Subsection (5)(a) to affected hotels.  
 4202 Section 23. Section **72-2-106** is amended to read:  
 4203 **72-2-106 (Effective 07/01/26). Appropriation and transfers from Transportation**  
 4204 **Fund.**  
 4205 (1) On and after July 1, 1981, there is appropriated from the Transportation Fund to the use  
 4206 of the department an amount equal to two-elevenths of the taxes collected from the  
 4207 motor fuel tax and the special fuel tax, exclusive of the formula amount appropriated for  
 4208 class B and class C roads, to be used for highway rehabilitation.  
 4209 (2) For a fiscal year beginning on or after July 1, 2016, the Division of Finance shall  
 4210 annually transfer an amount equal to the amount of revenue generated by a tax imposed  
 4211 on motor and special fuel that is sold, used, or received for sale or used in this state at a

4212 rate of 1.8 cents per gallon to the Transportation Investment Fund of 2005 created by  
4213 Section 72-2-124.

4214 (3) For a fiscal year beginning on or after July 1, 2019, the Division of Finance shall  
4215 annually transfer to the Transportation Investment Fund of 2005 created by Section  
4216 72-2-124 an amount that is equal to 35% of the amount of revenue generated in the  
4217 current fiscal year by the portion of the tax imposed on motor and special fuel that is  
4218 sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.

4219 [~~(4) For purposes of the calculation described in Subsection 59-12-103(7)(c), the Division  
4220 of Finance shall notify the State Tax Commission of the amount of any transfer made  
4221 under Subsections (2) and (3).]~~

4222 Section 24. Section **72-2-124** is amended to read:

4223 **72-2-124 (Effective 07/01/26). Transportation Investment Fund of 2005.**

4224 (1) There is created a capital projects fund entitled the Transportation Investment Fund of  
4225 2005.

4226 (2) The fund consists of money generated from the following sources:

4227 (a) any voluntary contributions received for the maintenance, construction,  
4228 reconstruction, or renovation of state and federal highways;

4229 (b) appropriations made to the fund by the Legislature;

4230 (c) registration fees designated under Section 41-1a-1201;

4231 (d) the sales and use tax revenues deposited into the fund in accordance with Section  
4232 59-12-103; and

4233 (e) revenues transferred to the fund in accordance with Section 72-2-106.

4234 (3)(a) The fund shall earn interest.

4235 (b) All interest earned on fund money shall be deposited into the fund.

4236 (4)(a) Except as provided in Subsection (4)(b), the executive director may only use fund  
4237 money to pay:

4238 (i) the costs of maintenance, construction, reconstruction, or renovation to state and  
4239 federal highways prioritized by the Transportation Commission through the  
4240 prioritization process for new transportation capacity projects adopted under  
4241 Section 72-1-304;

4242 (ii) the costs of maintenance, construction, reconstruction, or renovation to the  
4243 highway projects described in Subsections 63B-18-401(2), (3), and (4);

4244 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401  
4245 minus the costs paid from the County of the First Class Highway Projects Fund in

- 4246 accordance with Subsection 72-2-121(4)(e);
- 4247 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt  
4248 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the  
4249 amount certified by Salt Lake County in accordance with Subsection 72-2-121.3  
4250 (4)(c) as necessary to pay the debt service on \$30,000,000 of the revenue bonds  
4251 issued by Salt Lake County;
- 4252 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101  
4253 for projects prioritized in accordance with Section 72-2-125;
- 4254 (vi) all highway general obligation bonds that are intended to be paid from revenues  
4255 in the Centennial Highway Fund created by Section 72-2-118;
- 4256 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First  
4257 Class Highway Projects Fund created in Section 72-2-121 to be used for the  
4258 purposes described in Section 72-2-121;
- 4259 (viii) if a political subdivision provides a contribution equal to or greater than 40% of  
4260 the costs needed for construction, reconstruction, or renovation of paved  
4261 pedestrian or paved nonmotorized transportation for projects that:
- 4262 (A) mitigate traffic congestion on the state highway system;
- 4263 (B) are part of an active transportation plan approved by the department; and
- 4264 (C) are prioritized by the commission through the prioritization process for new  
4265 transportation capacity projects adopted under Section 72-1-304;
- 4266 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,  
4267 reconstruction, or renovation of or improvement to the following projects:
- 4268 (A) the connector road between Main Street and 1600 North in the city of  
4269 Vineyard;
- 4270 (B) Geneva Road from University Parkway to 1800 South;
- 4271 (C) the SR-97 interchange at 5600 South on I-15;
- 4272 (D) subject to Subsection (4)(c), two lanes on U-111 from Herriman Parkway to  
4273 South Jordan Parkway;
- 4274 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
- 4275 (F) improvements to 1600 North in Orem from 1200 West to State Street;
- 4276 (G) widening I-15 between mileposts 6 and 8;
- 4277 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
- 4278 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197  
4279 in Spanish Fork Canyon;

- 4280 (J) I-15 northbound between mileposts 43 and 56;
- 4281 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts
- 4282 43 and 45.1;
- 4283 (L) east Zion SR-9 improvements;
- 4284 (M) Toquerville Parkway;
- 4285 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
- 4286 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds,
- 4287 for construction of an interchange on Bangert Highway at 13400 South; and
- 4288 (P) an environmental impact study for Kimball Junction in Summit County; and
- 4289 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project
- 4290 costs based upon a statement of cash flow that the local jurisdiction where the
- 4291 project is located provides to the department demonstrating the need for money
- 4292 for the project, for the following projects in the following amounts:
- 4293 (A) \$5,000,000 for Payson Main Street repair and replacement;
- 4294 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
- 4295 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
- 4296 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S.
- 4297 40 between mile markers 7 and 10.
- 4298 (b) The executive director may use fund money to exchange for an equal or greater
- 4299 amount of federal transportation funds to be used as provided in Subsection (4)(a).
- 4300 (c)(i) Construction related to the project described in Subsection (4)(a)(ix)(D) may
- 4301 not commence until a right-of-way not owned by a federal agency that is required
- 4302 for the realignment and extension of U-111, as described in the department's 2023
- 4303 environmental study related to the project, is dedicated to the department.
- 4304 (ii) Notwithstanding Subsection (4)(c)(i), if a right-of-way is not dedicated for the
- 4305 project as described in Subsection (4)(c)(i) on or before October 1, 2024, the
- 4306 department may proceed with the project, except that the project will be limited to
- 4307 two lanes on U-111 from Herriman Parkway to 11800 South.
- 4308 (5)(a) Except as provided in Subsection (5)(b), if the department receives a notice of
- 4309 ineligibility for a municipality as described in Subsection 10-9a-408(7), the executive
- 4310 director may not program fund money to a project prioritized by the commission
- 4311 under Section 72-1-304, including fund money from the Transit Transportation
- 4312 Investment Fund, within the boundaries of the municipality until the department
- 4313 receives notification from the Housing and Community Development Division within

- 4314 the Department of Workforce Services that ineligibility under this Subsection (5) no  
4315 longer applies to the municipality.
- 4316 (b) Within the boundaries of a municipality described in Subsection (5)(a), the executive  
4317 director:
- 4318 (i) may program fund money in accordance with Subsection (4)(a) for a  
4319 limited-access facility or interchange connecting limited-access facilities;
- 4320 (ii) may not program fund money for the construction, reconstruction, or renovation  
4321 of an interchange on a limited-access facility;
- 4322 (iii) may program Transit Transportation Investment Fund money for a  
4323 multi-community fixed guideway public transportation project; and
- 4324 (iv) may not program Transit Transportation Investment Fund money for the  
4325 construction, reconstruction, or renovation of a station that is part of a fixed  
4326 guideway public transportation project.
- 4327 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive  
4328 director before July 1, 2022, for projects prioritized by the commission under Section  
4329 72-1-304.
- 4330 (6)(a) Except as provided in Subsection (6)(b), if the department receives a notice of  
4331 ineligibility for a county as described in Subsection 17-27a-408(7), the executive  
4332 director may not program fund money to a project prioritized by the commission  
4333 under Section 72-1-304, including fund money from the Transit Transportation  
4334 Investment Fund, within the boundaries of the unincorporated area of the county until  
4335 the department receives notification from the Housing and Community Development  
4336 Division within the Department of Workforce Services that ineligibility under this  
4337 Subsection (6) no longer applies to the county.
- 4338 (b) Within the boundaries of the unincorporated area of a county described in Subsection  
4339 (6)(a), the executive director:
- 4340 (i) may program fund money in accordance with Subsection (4)(a) for a  
4341 limited-access facility to a project prioritized by the commission under Section  
4342 72-1-304;
- 4343 (ii) may not program fund money for the construction, reconstruction, or renovation  
4344 of an interchange on a limited-access facility;
- 4345 (iii) may program Transit Transportation Investment Fund money for a  
4346 multi-community fixed guideway public transportation project; and
- 4347 (iv) may not program Transit Transportation Investment Fund money for the



- 4348 construction, reconstruction, or renovation of a station that is part of a fixed  
4349 guideway public transportation project.
- 4350 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive  
4351 director before July 1, 2022, for projects prioritized by the commission under Section  
4352 72-1-304.
- 4353 (7)(a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued in  
4354 any fiscal year, the department and the commission shall appear before the Executive  
4355 Appropriations Committee of the Legislature and present the amount of bond  
4356 proceeds that the department needs to provide funding for the projects identified in  
4357 Subsections 63B-18-401(2), (3), and (4) or Subsection 63B-27-101(2) for the current  
4358 or next fiscal year.
- 4359 (b) The Executive Appropriations Committee of the Legislature shall review and  
4360 comment on the amount of bond proceeds needed to fund the projects.
- 4361 (8) The Division of Finance shall, from money deposited into the fund, transfer the amount  
4362 of funds necessary to pay principal, interest, and issuance costs of bonds authorized by  
4363 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt  
4364 service or sinking fund.
- 4365 (9)(a) There is created in the Transportation Investment Fund of 2005 the Transit  
4366 Transportation Investment Fund.
- 4367 (b) The fund shall be funded by:
- 4368 (i) contributions deposited into the fund in accordance with Section 59-12-103;  
4369 (ii) appropriations into the account by the Legislature;  
4370 (iii) deposits of sales and use tax increment related to a housing and transit  
4371 reinvestment zone as described in Section 63N-3-610;  
4372 (iv) transfers of local option sales and use tax revenue as described in Subsection  
4373 59-12-2220(11)(b) or (c);  
4374 (v) private contributions; and  
4375 (vi) donations or grants from public or private entities.
- 4376 (c)(i) The fund shall earn interest.  
4377 (ii) All interest earned on fund money shall be deposited into the fund.
- 4378 (d) Subject to Subsection (9)(e), the commission may prioritize money from the fund:  
4379 (i) for public transit capital development of new capacity projects and fixed guideway  
4380 capital development projects to be used as prioritized by the commission through  
4381 the prioritization process adopted under Section 72-1-304;

- 4382 (ii) to the department for oversight of a fixed guideway capital development project  
4383 for which the department has responsibility; or  
4384 (iii) up to \$500,000 per year, to be used for a public transit study.
- 4385 (e)(i) Subject to Subsections (9)(g), (h), and (i), the commission may only prioritize  
4386 money from the fund for a public transit capital development project or pedestrian  
4387 or nonmotorized transportation project that provides connection to the public  
4388 transit system if the public transit district or political subdivision provides funds of  
4389 equal to or greater than 30% of the costs needed for the project.
- 4390 (ii) A public transit district or political subdivision may use money derived from a  
4391 loan granted pursuant to [~~Title 72, Chapter 2,~~]Part 2, State Infrastructure Bank  
4392 Fund, to provide all or part of the 30% requirement described in Subsection  
4393 (9)(e)(i) if:
- 4394 (A) the loan is approved by the commission as required in [~~Title 72, Chapter 2,~~]  
4395 Part 2, State Infrastructure Bank Fund; and  
4396 (B) the proposed capital project has been prioritized by the commission pursuant  
4397 to Section 72-1-303.
- 4398 (f) Before July 1, 2022, the department and a large public transit district shall enter into  
4399 an agreement for a large public transit district to pay the department \$5,000,000 per  
4400 year for 15 years to be used to facilitate the purchase of zero emissions or low  
4401 emissions rail engines and trainsets for regional public transit rail systems.
- 4402 (g) For any revenue transferred into the fund pursuant to Subsection 59-12-2220(11)(b):  
4403 (i) the commission may prioritize money from the fund for public transit projects,  
4404 operations, or maintenance within the county of the first class; and  
4405 (ii) Subsection (9)(e) does not apply.
- 4406 (h) For any revenue transferred into the fund pursuant to Subsection 59-12-2220(11)(c):  
4407 (i) the commission may prioritize public transit projects, operations, or maintenance  
4408 in the county from which the revenue was generated; and  
4409 (ii) Subsection (9)(e) does not apply.
- 4410 (i) The requirement to provide funds equal to or greater than 30% of the costs needed for  
4411 the project described in Subsection (9)(e) does not apply to a public transit capital  
4412 development project or pedestrian or nonmotorized transportation project that the  
4413 department proposes.
- 4414 (j) In accordance with Part [3] 4, Public Transit Innovation Grants, the commission may  
4415 prioritize money from the fund for public transit innovation grants, as defined in

- 4416 Section 72-2-401, for public transit capital development projects requested by a  
4417 political subdivision within a public transit district.
- 4418 (10)(a) There is created in the Transportation Investment Fund of 2005 the Cottonwood  
4419 Canyons Transportation Investment Fund.
- 4420 (b) The fund shall be funded by:
- 4421 (i) money deposited into the fund in accordance with Section 59-12-103;  
4422 (ii) appropriations into the account by the Legislature;  
4423 (iii) private contributions; and  
4424 (iv) donations or grants from public or private entities.
- 4425 (c)(i) The fund shall earn interest.  
4426 (ii) All interest earned on fund money shall be deposited into the fund.
- 4427 (d) The Legislature may appropriate money from the fund for public transit or  
4428 transportation projects in the Cottonwood Canyons of Salt Lake County.
- 4429 (e) The department may use up to 2% of the revenue deposited into the account under  
4430 Subsection [59-12-103(7)(b)] 59-12-103(4)(f) to contract with local governments as  
4431 necessary for public safety enforcement related to the Cottonwood Canyons of Salt  
4432 Lake County.
- 4433 (11)(a) There is created in the Transportation Investment Fund of 2005 the Active  
4434 Transportation Investment Fund.
- 4435 (b) The fund shall be funded by:
- 4436 (i) money deposited into the fund in accordance with Section 59-12-103;  
4437 (ii) appropriations into the account by the Legislature; and  
4438 (iii) donations or grants from public or private entities.
- 4439 (c)(i) The fund shall earn interest.  
4440 (ii) All interest earned on fund money shall be deposited into the fund.
- 4441 (d) The executive director may only use fund money to pay the costs needed for:
- 4442 (i) the planning, design, construction, maintenance, reconstruction, or renovation of  
4443 paved pedestrian or paved nonmotorized trail projects that:
- 4444 (A) are prioritized by the commission through the prioritization process for new  
4445 transportation capacity projects adopted under Section 72-1-304;  
4446 (B) serve a regional purpose; and  
4447 (C) are part of an active transportation plan approved by the department or the  
4448 plan described in Subsection (11)(d)(ii);
- 4449 (ii) the development of a plan for a statewide network of paved pedestrian or paved

- 4450 nonmotorized trails that serve a regional purpose; and
- 4451 (iii) the administration of the fund, including staff and overhead costs.
- 4452 (12)(a) As used in this Subsection (12), "commuter rail" means the same as that term is
- 4453 defined in Section 63N-3-602.
- 4454 (b) There is created in the Transit Transportation Investment Fund the Commuter Rail
- 4455 Subaccount.
- 4456 (c) The subaccount shall be funded by:
- 4457 (i) contributions deposited into the subaccount in accordance with Section 59-12-103;
- 4458 (ii) appropriations into the subaccount by the Legislature;
- 4459 (iii) private contributions; and
- 4460 (iv) donations or grants from public or private entities.
- 4461 (d)(i) The subaccount shall earn interest.
- 4462 (ii) All interest earned on money in the subaccount shall be deposited into the
- 4463 subaccount.
- 4464 (e) As prioritized by the commission through the prioritization process adopted under
- 4465 Section 72-1-304 or as directed by the Legislature, the department may only use
- 4466 money from the subaccount for projects that improve the state's commuter rail
- 4467 infrastructure, including the building or improvement of grade-separated crossings
- 4468 between commuter rail lines and public highways.
- 4469 (f) Appropriations made in accordance with this section are nonlapsing in accordance
- 4470 with Section 63J-1-602.1.

4471 Section 25. Section **73-2-1.6** is amended to read:

4472 **73-2-1.6 (Effective 07/01/26). Water Rights Restricted Account.**

- 4473 (1) As used in this section:
- 4474 (a) "Account" means the Water Rights Restricted Account created by this section.
- 4475 (b) "Division" means the Division of Water Rights.
- 4476 (2) There is created in the General Fund a restricted account known as the "Water Rights
- 4477 Restricted Account."
- 4478 (3) The account shall consist of the money deposited into the account under Subsection [
- 4479 ~~59-12-103(5)(e)~~ 59-12-103(4)(b)].
- 4480 (4) Upon appropriation, the division may use money in the account for:
- 4481 (a) costs incurred by the division that benefit water rights adjudications, including:
- 4482 (i) employing technical staff;
- 4483 (ii) acquiring equipment;

- 4484 (iii) obtaining legal support;
- 4485 (iv) conducting studies;
- 4486 (A) installing, operating, and maintaining measurement infrastructure; and
- 4487 (B) sharing the costs of installed United States Geological Survey stream gauges;
- 4488 and
- 4489 (b) not to exceed 5% of the money deposited into the account under Subsection [
- 4490 ~~59-12-103(5)(e)~~] 59-12-103(4)(b) in the fiscal year preceding the fiscal year of
- 4491 appropriation, costs incurred by the division to acquire, manage, and analyze surface
- 4492 and groundwater data, not limited to geographic areas of adjudication.
- 4493 (5)(a) The account may not exceed \$8,000,000 at the end of a fiscal year.
- 4494 (b) If the account exceeds \$8,000,000 at the end of a fiscal year, the Division of Finance
- 4495 shall deposit into the Water Resources Conservation and Development Fund, created
- 4496 in Section 73-10-24, the money in excess of the amount necessary to maintain the
- 4497 account balance at \$8,000,000.

4498 **Section 26. Effective date.**

- 4499 (1) Except as provided in Subsections (2) and (3), this bill takes effect on July 1, 2026.
- 4500 (2) The actions affecting the following sections take effect on May 7, 2025:
- 4501 (a) Section 41-1a-102 (Effective 05/07/25);
- 4502 (b) Section 41-1a-110 (Effective 05/07/25);
- 4503 (c) Section 41-1a-1206 (Effective 05/07/25);
- 4504 (d) Section 41-6a-102 (Effective 05/07/25);
- 4505 (e) Section 41-6a-1509 (Effective 05/07/25);
- 4506 (f) Section 41-12a-804 (Effective 05/07/25);
- 4507 (g) Section 41-22-2 (Effective 05/07/25);
- 4508 (h) Section 41-22-3 (Effective 05/07/25);
- 4509 (i) Section 41-22-5.5 (Effective 05/07/25);
- 4510 (j) Section 41-22-10.7 (Effective 05/07/25); and
- 4511 (k) Section 41-22-10.8 (Effective 05/07/25).
- 4512 (3) The actions affecting Section 41-1a-215 (Effective 01/01/26) take effect on January 1,
- 4513 2026.