

HB0141S01 compared with HB0141

~~Omitted text~~ shows text that was in HB0141 but was omitted in HB0141S01
inserted text shows text that was not in HB0141 but was inserted into HB0141S01

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

LONG TITLE

General Description:

This bill enacts provisions related to international money transmissions.

Highlighted Provisions:

This bill:

- defines terms;
- imposes a tax on international money transmissions on or after a certain date;
- exempts an international money transmission from the tax if the customer requesting the transaction presents valid identification;
- requires the tax to be stated separately on an invoice or receipt;
- requires licensed money transmitters to remit collected taxes quarterly and report annually to the State Tax Commission;
- provides for the State Tax Commission's administration of the tax;
- {**enacts a nonrefundable income tax credit for individuals who pay the tax;**}
- requires the commissioner of the Department of Financial Institutions to annually provide a list to each licensed money transmitter to the State Tax Commission; and

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19 ▸ makes technical changes.

19 **Money Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 This bill provides a special effective date.

23 **Utah Code Sections Affected:**

24 ENACTS:

25 **7-25-207** , Utah Code Annotated 1953

29 **{59-10-1049 , Utah Code Annotated 1953}**

26 **59-35-101** , Utah Code Annotated 1953

27 **59-35-102** , Utah Code Annotated 1953

28 **59-35-103** , Utah Code Annotated 1953

29 **59-35-104** , Utah Code Annotated 1953

AMENDS:

26 **{59-10-1002.2 , as last amended by Laws of Utah 2025, Chapter 407}**

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

32 Section 1. Section 1 is enacted to read:

33 **7-25-207. Commissioner to annually provide list of licensees to tax commission.**

On or before January 31 of each calendar year, the commissioner shall provide the State
Tax Commission with a list of each person licensed under this chapter.

40 **{Section 2. Section 59-10-1002.2 is amended to read: }**

41 **59-10-1002.2. Apportionment of tax credits.**

42 (1) A nonresident individual or a part-year resident individual that claims a tax credit in accordance
with Section 59-10-1017, 59-10-1018, 59-10-1019, 59-10-1022, 59-10-1023, 59-10-1024,
59-10-1028, 59-10-1042, 59-10-1043, 59-10-1044, 59-10-1046, 59-10-1047, [or]59-10-1048, or
59-10-1049 may only claim an apportioned amount of the tax credit equal to:

47 (a) for a nonresident individual, the product of:

48 (i) the state income tax percentage for the nonresident individual; and

49 (ii) the amount of the tax credit that the nonresident individual would have been allowed to claim but
for the apportionment requirements of this section; or

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51 (b) for a part-year resident individual, the product of:

52 (i) the state income tax percentage for the part-year resident individual; and

53 (ii) the amount of the tax credit that the part-year resident individual would have been allowed to claim
but for the apportionment requirements of this section.

55 (2) A nonresident estate or trust that claims a tax credit in accordance with Section 59-10-1017,
59-10-1020, 59-10-1022, 59-10-1024, 59-10-1028, or 59-10-1048 may only claim an apportioned
amount of the tax credit equal to the product of:

58 (a) the state income tax percentage for the nonresident estate or trust; and

59 (b) the amount of the tax credit that the nonresident estate or trust would have been allowed to claim but
for the apportionment requirements of this section.

61 Section 3. Section 3 is enacted to read:

59-10-1049. Nonrefundable tax credit for payment of international money transmission tax.

62 (1) As used in this section, "international money transmission tax" means the tax imposed by Chapter
35, International Money Transmission Tax.

66 (2) Subject to Section 59-10-1002.2, a claimant who pays an international money transmission tax may
claim on the claimant's individual income tax return a nonrefundable tax credit in an amount equal
to the aggregate amount of international money transmission taxes that the claimant paid during the
taxable year.

70 (3) A claimant may not carry forward or carry back the amount of the tax credit under this section that
exceeds the claimant's tax liability for the taxable year.

36 Section 2. Section 2 is enacted to read:

59-35-101. Definitions.

35. International Money Transmission Tax

As used in this chapter:

76 (1) "Authorized agent" means the same as that term is defined in Section 7-25-102.

77 (2) "Customer" means an individual for whom a licensee conducts an international money transmission.

79 (3) "Depository institution" means the same as that term is defined in Section 7-1-103.

80 (4) "Foreign country" means a jurisdiction other than:

81 (a) the United States; or

82 (b) a state, district, commonwealth, territory, or insular possession of the United States.

83 (5)

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(a) "International money transmission" means a money transmission conducted by a licensee or an authorized agent on behalf of a customer, in which money is transmitted to a foreign country.

(b) "International money transmission" does not include a transaction conducted by a depository institution or a subsidiary or affiliate of the depository institution.

(6) "Licensee" means a person licensed by the Department of Financial Institutions under Title 7, Chapter 25, Money Transmitter Act.

(7) "Money transmission" means the same as that term is defined in Section 7-25-102.

(8)

(a) "Transmission amount" means the total amount of money transmitted through a single international money transmission transaction.

(b) "Transmission amount" does not include amounts paid or charged for an international money transmission transaction, including any service charge, transaction fee, or sales and use tax imposed under Chapter 12, Sales and Use Tax Act.

(9)

(a) "Valid identification" means any of the following non-expired forms of identification:

(i) a United States passport or United States passport card;

(ii) a state-issued driver license or state-issued identification card;

(iii) a United States military identification;

(iv) a state-issued concealed carry permit;

(v) a United States resident alien card;

(vi) an identification of a federally recognized Indian tribe;

(vii) a United States visa that is classified as H-2A or H-2B; or

(viii) a driver license or identification card issued to a diplomat as defined in Section 41-6a-1901.

(b) "Valid identification" does not include a Utah driving privilege card.

Section 3. Section 3 is enacted to read:

59-35-102. Imposition of tax on international money transmissions -- Rate -- Tax paid by customer and collected by licensee or authorized agent -- Itemized receipt required -- Transactions exempt from tax.

(1) Except as provided in Subsection (3), a tax is imposed on an international money transmission on or after January 1, 2027, at a rate equal to 2% of the international money transmission amount.

(2) The tax imposed under Subsection (1) shall be:

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117 (a) paid by the customer requesting the international money transmission;
118 (b) collected by the licensee or an authorized agent of the licensee at the time the international money
120 transmission is requested; and
122 (c) stated separately on an invoice or receipt provided to the customer for the international money
transmission.
(3) An international money transmission is exempt from the tax imposed under Subsection (1) if
the customer requesting the international money transmission presents valid identification of the
customer to the licensee or an authorized agent of the licensee at the time the customer requests the
international money transmission.

90 Section 4. Section 4 is enacted to read:

59-35-103. Remittance and deposit of tax revenue -- Administration -- Rulemaking.

129 (1) A licensee shall remit the taxes that the licensee or an authorized agent of the licensee collects
under this chapter to the commission quarterly on or before the last day of the month following each
calendar quarterly period using a form prescribed by the commission.
(2) The commission shall:
(a) deposit revenues generated by the tax under this chapter into the General Fund; and
(b) administer, collect, and enforce the tax under this chapter in accordance with Chapter 1, General
Taxation Policies.
(3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission
may make rules to implement and enforce this chapter.

103 Section 5. Section 5 is enacted to read:

59-35-104. Annual reporting by licensee to commission -- Licensee retention of exempt
transaction information.

142 (1) For a calendar year beginning on or after January 1, 2027, a licensee shall annually report to the
commission:
(a) the total number of international money transmissions conducted by the licensee or an authorized
agent of the licensee for the calendar year;
(b) the total amount of money transmitted through the international money transmissions reported under
Subsection (1)(a);
(c) of the international money transmissions reported for the calendar year under Subsection (1)(a);

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- (i) the total number of international money transmissions for which the tax under this chapter was imposed; and
- (ii) the total number of international money transmissions exempted from the tax under this chapter in accordance with Subsection 59-35-102(3); and
- (d) any other information required by the commission.

(2) A licensee shall file the report described in Subsection (1):

- (a) on or before January 31 of the calendar year immediately following the calendar year for which the report is filed; and
- (b) electronically using a form prescribed by the commission.

(3)

- (a) For each international money transmission that a licensee or an authorized agent of the licensee conducts on behalf of a customer to which the tax imposed by this chapter does not apply because the customer presented valid identification in accordance with Subsection 59-35-102(3), the licensee shall retain the following information:
 - (i) the form of identification presented by the customer; and
 - (ii) the identification number.
- (b) A licensee shall retain the information described in Subsection (3)(a) for the same time period a person is required to keep books and records under Section 59-1-1406.

Section 6. Effective date.

Effective Date.

- (1) Except as provided in Subsection (2), this bill takes effect for a future taxable year beginning on or after January 1, 2027.
- (2) The actions affecting Section 7-25-207 take effect on January 1, 2027.

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