

Stephanie Gricius proposes the following substitute bill:

International Money Transmission Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephanie Gricius

Senate Sponsor:

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;
- requires the commissioner of the Department of Financial Institutions to annually provide a list of each licensed money transmitter to the State Tax Commission; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

ENACTS:

7-25-207, Utah Code Annotated 1953

59-35-101, Utah Code Annotated 1953

59-35-102, Utah Code Annotated 1953

59-35-103, Utah Code Annotated 1953

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

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

32 Section 1. Section **7-25-207** is enacted to read:

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

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

36 Section 2. Section **59-35-101** is enacted to read:

37 **CHAPTER 35. International Money Transmission Tax**

38 **59-35-101 . Definitions.**

39 As used in this chapter:

- 40 (1) "Authorized agent" means the same as that term is defined in Section 7-25-102.
- 41 (2) "Customer" means an individual for whom a licensee conducts an international money
42 transmission.
- 43 (3) "Depository institution" means the same as that term is defined in Section 7-1-103.
- 44 (4) "Foreign country" means a jurisdiction other than:
- 45 (a) the United States; or
- 46 (b) a state, district, commonwealth, territory, or insular possession of the United States.
- 47 (5)(a) "International money transmission" means a money transmission conducted by a
48 licensee or an authorized agent on behalf of a customer, in which money is
49 transmitted to a foreign country.
- 50 (b) "International money transmission" does not include a transaction conducted by a
51 depository institution or a subsidiary or affiliate of the depository institution.
- 52 (6) "Licensee" means a person licensed by the Department of Financial Institutions under
53 Title 7, Chapter 25, Money Transmitter Act.
- 54 (7) "Money transmission" means the same as that term is defined in Section 7-25-102.
- 55 (8)(a) "Transmission amount" means the total amount of money transmitted through a
56 single international money transmission transaction.
- 57 (b) "Transmission amount" does not include amounts paid or charged for an
58 international money transmission transaction, including any service charge,
59 transaction fee, or sales and use tax imposed under Chapter 12, Sales and Use Tax
60 Act.
- 61 (9)(a) "Valid identification" means any of the following non-expired forms of
62 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 **59-35-102** 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:
 - (a) paid by the customer requesting the international money transmission;
 - (b) collected by the licensee or an authorized agent of the licensee at the time the international money transmission is requested; and
 - (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.

Section 4. Section **59-35-103** is enacted to read:

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

- (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.

Section 5. Section **59-35-104** is enacted to read:

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

(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):
 - (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

131 time period a person is required to keep books and records under Section 59-1-1406.

132 Section 6. **Effective Date.**

133 (1) Except as provided in Subsection (2), this bill takes effect for a future taxable year

134 beginning on or after January 1, 2027.

135 (2) The actions affecting Section 7-25-207 take effect on January 1, 2027.