

Sales Tax Exemptions

Business Input - Specific good/service, use, and purchaser

Topic	Year Enacted	FY 2017 Est. Value	Estimate Quality	Utah Code Section 59-12-104:
Machinery, equipment, parts, materials, or repair for manufacturers, mining, and web search providers	1985	\$59,447,000**	Med	(14)
Vehicle or products installed on a vehicle used by an authorized carrier	1995	\$15,200,000	Low	(33)
Construction materials for Salt Lake International Airport (material converted to real property only)	2008	\$6,980,000	High	(66)
Machinery or equipment purchased by the film industry and used to produce certain media	2004	\$3,500,000	Low	(54)
Fuel sold to a common carrier railroad and used in a locomotive engine	2008	\$2,500,000	Med	(68)
Machinery, equipment, etc. purchased by a refinery and used in a specified activity	2017	\$2,135,100*	N/A	(86)
Certain products purchased by airlines for in-flight use or consumption	1983	\$1,900,000	Med	(4)
Machinery, equipment, or parts used for electronic financial payment services (three-year life)	2013	\$1,700,000	Low	(79)
Construction materials for life science research facility (material converted to real property only)	2012	\$650,000	Low	(73)
Amusement and recreation machinery or equipment (threeyear life; business must charge fee to use)	2013	\$480,000	Low	(76)
Electricity to ski resorts for lifts	1996	\$250,000	Low	(37)
Machinery, equipment, normal operating repair or replacement parts, purchased by a medical lab	2018	\$210,000**	Med	(88)
Construction materials for new airport in 2nd class county (material converted to real property only)	2008	\$0	N/A	(67)
Machinery, equipment, or parts purchased by certain data centers (one-year economic life)	2016	\$0	N/A	(84)
Non-returnable containers, labels, casings for use in packaging TPP	1969	Insufficient Data	N/A	(22)

Business Input - Specific good/service and purchaser

Topic	Year Enacted	FY 2017 Est. Value	Estimate Quality	Utah Code Section 59-12-104:
Certain machinery, equipment, or software purchased by or for a telecommunications service provider	2006	\$11,900,000	Low	(61)
Commercials, films, and other audio / video sold to broadcasters and others	1981	\$6,200,000	Low	(6)
Short-term lodging consumables	2013	\$2,200,000	Low	(77)
Certain products used by a steel mill	1987	\$210,000	Med	(29)
Ski resort equipment and parts	1996	\$72,000	Low	(38)

Business Input - Specific good/service and use

Topic	Year Enacted	FY 2017 Est. Value	Estimate Quality	Utah Code Section 59-12-104:
Natural gas, electricity, coal, fuel oil, and other fuels for industrial use	1996	\$44,100,000	Med	(39)
Machinery, equipment, or parts used in qualified research (three-year life)	2012	\$13,800,000	Med	(74)
Intrastate telecommunications services or fuel for use in compounding a taxable service	1933	\$7,500,000	Low	(27)
Certain equipment under certain aerospace or electronics contracts with the federal government	1986	\$7,200,000	Low	(15)
Telecommunications service for purposes of providing telecommunications service	1990	\$3,700,000	Low	(32)
Address list or database used to send direct mail	2005	\$1,500,000	Low	(59)
Database access (viewing or retrieval of information)	2013	\$1,100,000	Low	(78)
Vehicles used for temporary sporting events	2001	Less Than \$1,000	Low	(46)

* FY2019

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Sales Tax Exemptions

Business Input - Specific use and purchaser

Topic	Year Enacted	FY 2017 Est. Value	Estimate Quality	Utah Code Section 59-12-104:
Aircraft parts and equipment for installation in certain aircraft	1984	\$7,400,000	Low	(5)
Pollution control equipment (includes consumables)	1973	\$6,300,000	Med	(11)
Products to an aircraft repair provider if used to repair aircraft not registered in Utah	2010	\$250,000	Med	(70)
Business property temporarily brought into the state by an outof-state business for disaster-related work	2014	\$0	N/A	(81)
Product used in preparation of food if seller and purchaser are the same (seller already paid sales tax)	2013	Insufficient Data	N/A	(75)
Certain machinery, equipment, etc. for or by an alternative energy electricity production facility	2002	Insufficient Data	N/A	(55)
Certain machinery, equipment, etc. for or by a waste energy production facility	2004	Insufficient Data	N/A	(56)
Certain purchases for or by a facility that produces fuel from alternative energy	2004	Insufficient Data	N/A	(57)

Business Input - Specific good/service

Topic	Year Enacted	FY 2017 Est. Value	Estimate Quality	Utah Code Section 59-12-104:
Hay	1995	\$10,300,000	Med	(19)
Semiconductor fabricating, processing, research, or development materials	2001	\$7,000,000	Low	(44)
Molten magnesium	2015	\$610,000	Med	(83)
Fuel cell	2013	\$47,000	Med	(80)

Business Input - Specific use

Topic	Year Enacted	FY 2017 Est. Value	Estimate Quality	Utah Code Section 59-12-104:
Certain products primarily used in farming operations	1979	\$65,300,000	Low	(18)
Property stored in the state for resale	1937	Insufficient Data	N/A	(23)
Product purchased for resale in its original form or as a component part of a manufactured good	1937	Insufficient Data	N/A	(25)
Sale-leaseback transactions	2003	Insufficient Data	N/A	(52)
Building materials shipped out of state and incorporated into real property	1989	Insufficient Data	N/A	(58)
Products used in the research and development of alternative energy technology	2006	Insufficient Data	N/A	(62)
Business property purchased outside the state and brought into the state after first use	2007	Insufficient Data	N/A	(63)

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Sales Tax Exemptions

Charitable/Non-Profit/Government

Topic	Year Enacted	FY 2017 Est. Value	Estimate Quality	Utah Code Section 59-12-104:
State and local government purchases except for certain construction materials	1933	\$47,800,000	Low	(2)
Sales to or by religious or charitable organizations	1933	\$11,900,000	Low	(8)
Food stamp purchases	1986	\$5,100,000	High	(21)
Certain food or alcohol served by religious, charitable, medical or higher education	1939	\$1,700,000	Low	(12)
Copies and publications by a government entity	1997	\$450,000	Low	(41)
WIC purchases	1987	\$450,000	High	(28)
Sales to a public transit district (includes construction materials converted to real property)	2007	\$310,000	Med	(65)
Sales relating to schools and fundraising sales	1995	\$140,000	Low	(35)
Sales to or by Heber Valley Railroad	2010	\$120,000	Med	(69)
Sales of goods and services at a National Guard morale, welfare, and recreation facility	2014	\$20,000	Med	(82)

Economic Efficiency - Other Tax Considerations

Topic	Year Enacted	FY 2017 Est. Value	Estimate Quality	Utah Code Section 59-12-104:
Aviation, motor, special fuels (jet, gas, diesel, etc.)	1933	\$205,500,000	Med	(1)
Non-resident vehicle that is not registered or used in the state except under specified circumstances	1957	\$7,800,000	Med	(9)
Non-resident boat that is not registered or used in the state except under specified circumstances	1988	\$110,000	Med	(30)
Hotel accommodations and services taxed by the Navajo Nation	2001	\$63,000	Low	(45)
Product brought in by a nonresident for use (product may not be used for business in the state)	1937	Insufficient Data	N/A	(24)
Product for which sales tax was paid to another state (must pay difference if Utah tax is greater)	1937	Insufficient Data	N/A	(26)
Accommodations and services if the proprietor is subject to the MIDA accommodations tax	2018	Insufficient Data	N/A	(87)

Economic Efficiency - Historically Coin Operated

Topic	Year Enacted	FY 2017 Est. Value	Estimate Quality	Utah Code Section 59-12-104:
Primarily unassisted cleaning of property (coin operated laundry, etc.)	1975	\$3,100,000	Med	(7)
Use of unassisted amusement device	1996	\$670,000	Low	(40)
Vending machine food sold for \$1 or less under certain circumstances	1965	\$85,000	Med	(3)
Car wash that does not include cleaning the interior of the vehicle	2017	\$0	N/A	(85)

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Sales Tax Exemptions

Health Care

Topic	Year Enacted	FY 2017 Est. Value	Estimate Quality	Utah Code Section 59-12-104:
Prescription drugs, syringes, and stoma supplies	1976	\$154,700,000	Low	(10)
Prescribed durable medical equipment for home use	1995	\$4,000,000	Low	(36)
Prescribed disposable home medical supplies	1995	\$2,100,000	Low	(64)
Sales to or by a nonprofit that provides certain services to persons age 60+	1999	\$1,400,000	Med	(43)
Prescribed mobility enhancing equipment	1995	\$1,060,000	Low	(48)
Prosthetic device (prescribed or purchased by medical facility)	1995	\$800,000	Low	(53)
Medical cannabis	2018	Insufficient Data	N/A	(89)

Other Specific Goods/Services

Topic	Year Enacted	FY 2017 Est. Value	Estimate Quality	Utah Code Section 59-12-104:
Water in a pipe, conduit, ditch or reservoir	2003	\$21,600,000	Med	(49)
45% of a new and 100% of a used manufactured home (based on sales price)	1995	\$3,700,000	Low	(34)
Newspapers or newspaper subscriptions	1937	\$1,780,000	Low	(16)
Admissions to college athletic events	1998	\$1,260,000	Med	(42)
Textbooks purchased by a student (not including a college book store; seller sales primarily textbooks)	2011	\$190,000	Low	(71)
Certain electricity produced from a new alternative energy source	2002	\$115,000	Med	(47)
Municipal taxes or fees levied on purchaser for enhanced level of municipal service	2011	\$9,000	Med	(72)
Aircraft manufactured in Utah	1990	\$0	N/A	(31)
Currency or coinage that is legal tender	1983	Insufficient Data	N/A	(50)
Gold, silver, platinum (bars, coins, etc.; not legal tender; content 50%+ gold, silver, or platinum)	2003	Insufficient Data	N/A	(51)

Other

Topic	Year Enacted	FY 2017 Est. Value	Estimate Quality	Utah Code Section 59-12-104:
Vehicle trade-ins and other trades as part payment for a purchase	1933	\$69,600,000	Med	(17)
Pawnbroker repurchases or redemptions	2005	\$1,220,000	Low	(60)
Exclusive sale of seasonal crops and plants if sold during the harvest season by the producer	1937	\$510,000	Med	(20)
Isolated or occasional sales if not regularly engaged in business	1937	Insufficient Data	N/A	(13)

Source: Utah Tax Commission

Prepared by: OLRGC

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** FY 2021