

Effective 5/13/2014

Part 2
Sales and Use Tax Provisions

19-12-201 Sales and use tax exemption for certain purchases or leases related to pollution control.

- (1) Except as provided in Subsection (2), a purchase or lease of the following is exempt from a tax imposed under Title 59, Chapter 12, Sales and Use Tax Act:
 - (a) freestanding pollution control property;
 - (b) tangible personal property if the tangible personal property is:
 - (i) incorporated into freestanding pollution control property; or
 - (ii) used at, used in the construction of, or incorporated into a pollution control facility;
 - (c) a part, if the part is used in the repair or replacement of property described in Subsection (1)(a) or (b);
 - (d) a product transferred electronically, if the property transferred electronically is:
 - (i) incorporated into freestanding pollution control property; or
 - (ii) used at, used in the construction of, or incorporated into a pollution control facility; or
 - (e) a service, if the service is performed on:
 - (i) freestanding pollution control property;
 - (ii) a pollution control facility; or
 - (iii) property described in Subsection (1)(b), a part described in Subsection (1)(c), or a product described in Subsection (1)(d).
- (2) A purchase or lease of the following is not exempt under this section:
 - (a) a consumable chemical that is not reusable;
 - (b) a consumable cleaning material that is not reusable; or
 - (c) a consumable supply that is not reusable.
- (3) A purchase or lease of office equipment or an office supply is not exempt under this section if the primary purpose of the office equipment or office supply is not the prevention, control, or reduction of air or water pollution by:
 - (a) the disposal or elimination of, or redesign to eliminate, waste, and the use of treatment works for industrial waste; or
 - (b) the disposal, elimination, or reduction of, or redesign to eliminate or reduce, air pollutants, air pollution, or air pollution sources, and the use of one or more air cleaning devices.

Amended by Chapter 154, 2015 General Session

19-12-202 Certification required before claiming a sales and use tax exemption.

- (1) Before a person may claim a sales and use tax exemption under Section 19-12-201, the person shall obtain certification issued in accordance with Section 19-12-303.
- (2) For purposes of Subsection (1), if a certification relates to air pollution:
 - (a) a person shall submit an application under Section 19-12-301 or 19-12-302 to the director of the Division of Air Quality; and
 - (b) the director of the Division of Air Quality shall perform the duties described in:
 - (i) Section 19-12-303 related to certification; and
 - (ii) Section 19-12-304 related to revocation of certification.
- (3) For purposes of Subsection (1), if a certification relates to water pollution:

- (a) a person shall submit an application under Section 19-12-301 or 19-12-302 to the director of the Division of Water Quality; and
- (b) the director of the Division of Water Quality shall perform the duties described in:
 - (i) Section 19-12-303 related to certification; and
 - (ii) Section 19-12-304 related to revocation of certification.

Enacted by Chapter 24, 2014 General Session

19-12-203 Refunds -- Interest.

- (1) A person who pays a tax under Title 59, Chapter 12, Sales and Use Tax Act, on a purchase or lease that would otherwise be exempt under Section 19-12-201, except that the director has not issued a certification under Section 19-12-303, may obtain a refund of the tax if:
 - (a) the director subsequently issues a certification under Section 19-12-303; and
 - (b) the person files a claim for the refund with the State Tax Commission on or before the earlier of:
 - (i) three years after the date the director issues the certification under Section 19-12-303; or
 - (ii) six years after the date the person pays the tax under Title 59, Chapter 12, Sales and Use Tax Act.
- (2) A person who pays a tax under Title 59, Chapter 12, Sales and Use Tax Act, on a purchase or lease that is exempt under Section 19-12-201, may obtain a refund of the tax if the person files a claim for the refund with the State Tax Commission within three years after the date the person pays the tax under Title 59, Chapter 12, Sales and Use Tax Act.
- (3)
 - (a) If a person files a claim for a refund of taxes under Subsection (1) within 180 days after the date the director issues a certification under Section 19-12-303, interest shall be added to the amount of the refund the State Tax Commission grants:
 - (i) at the interest rate prescribed in Section 59-1-402; and
 - (ii) beginning on the date the person pays the tax under Title 59, Chapter 12, Sales and Use Tax Act, for which the person is claiming the refund.
 - (b) If a person files a claim for a refund of taxes under Subsection (1) more than 180 days after the date the director issues a certification under Section 19-12-303, interest shall be added to the amount of the refund the State Tax Commission grants:
 - (i) at the interest rate prescribed in Section 59-1-402; and
 - (ii) beginning 30 days after the date the person files the claim for a refund.
- (4) If a person files a claim for a refund of taxes under Subsection (2), interest shall be added to the amount of the refund the State Tax Commission grants:
 - (a) at the interest rate prescribed in Section 59-1-402; and
 - (b) beginning 30 days after the date the person files the claim for the refund.

Enacted by Chapter 24, 2014 General Session