

## Part 12 Motor Vehicle Rental Tax

### ***Superseded 7/1/2026***

#### **59-12-1201 Motor vehicle rental tax -- Rate -- Exemptions -- Administration, collection, enforcement, and interpretation of tax -- Administrative charge -- Deposits.**

- (1) As used in this section:
  - (a) "Fairpark district board" means the board of the fairpark district.
  - (b) "Fairpark district" means the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201.
  - (c) "Franchise agreement date" means the same as that term is defined in Section 11-70-101.
  - (d) "Stadium contribution" means the same as that term is defined in Section 11-70-101.
  - (e) "Transition date" means the first day of the calendar quarter that begins at least 90 days after the fairpark district board delivers to the commission the certificate described in Subsection (2)(a)(ii)(B).
- (2)
  - (a)
    - (i) Except as provided in Subsections (4) and (5), there is imposed a tax of 2.5% on all short-term rentals of motor vehicles.
    - (ii)
      - (A) In addition to the tax imposed under Subsection (2)(a)(i) and except as provided in Subsections (4) and (5), beginning on the transition date there is imposed a tax of 1.5% on all short-term rentals of motor vehicles.
      - (B) After the franchise agreement date, the fairpark district board shall deliver to the commission a certificate verifying the execution of a franchise agreement, as defined in Section 11-70-101, and providing the franchise agreement date.
      - (C) A tax under this Subsection (2)(a)(ii) is imposed only if the franchise agreement date is on or before June 30, 2032.
  - (b) The tax imposed in this section is in addition to all other state, county, or municipal fees and taxes imposed on rentals of motor vehicles.
- (3)
  - (a) Subject to Subsection (3)(b), a tax rate repeal or tax rate change for the tax imposed under Subsection (2) shall take effect on the first day of a calendar quarter.
  - (b)
    - (i) For a transaction subject to a tax under Subsection (2), a tax rate increase shall take effect on the first day of the first billing period:
      - (A) that begins after the effective date of the tax rate increase; and
      - (B) if the billing period for the transaction begins before the effective date of a tax rate increase imposed under Subsection (2).
    - (ii) For a transaction subject to a tax under Subsection (2), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:
      - (A) that began before the effective date of the repeal of the tax or the tax rate decrease; and
      - (B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under Subsection (2).
- (4) A tax imposed under this section applies at the same rate to car sharing of less than 30 days, except for car sharing for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair or an insurance agreement.

- (5) A motor vehicle is exempt from the tax imposed under this section if:
  - (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;
  - (b) the motor vehicle is rented as a personal household goods moving van; or
  - (c) the lease or rental of the motor vehicle is made for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an insurance agreement.
- (6)
  - (a)
    - (i) The tax authorized under this section shall be administered, collected, enforced, and interpreted in accordance with:
      - (A) the same procedures used to administer, collect, enforce, and interpret the tax under Part 1, Tax Collection; and
      - (B) Chapter 1, General Taxation Policies.
    - (ii) Notwithstanding Subsection (6)(a)(i), a tax under this part is not subject to Subsections 59-12-103(4) through (9) or Section 59-12-107.1 or 59-12-123.
  - (b) The commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the revenue the commission collects from a tax under this part.
  - (c) Except as provided under Subsections (6)(b) and (d):
    - (i) the commission shall deposit daily with the state treasurer all revenue received under this section; and
    - (ii) the state treasurer shall credit monthly all revenue received under this section to the Marda Dillree Corridor Preservation Fund under Section 72-2-117.
  - (d)
    - (i) Subject to Subsection (6)(d)(iii), all revenue received by the commission under Subsection (2)(a)(ii) shall be paid to the fairpark district.
    - (ii) Within 10 days after the fairpark district completes payment of the stadium contribution, the fairpark district board shall deliver to the commission a written statement verifying that the fairpark district has completed payment of the stadium contribution.
    - (iii) Upon receipt of the written statement under Subsection (6)(d)(ii), the commission shall:
      - (A) discontinue collecting revenue under Subsection (2)(a)(ii), beginning the first day of the calendar quarter that is at least 90 days after the commission's receipt of the written statement;
      - (B) discontinue distributing revenue under Subsection (2)(a)(ii) to the fairpark district, beginning the first day of the calendar quarter that is at least 90 days after the commission's receipt of the written statement; and
      - (C) notify the Executive Appropriations Committee of the Legislature that the commission is discontinuing collecting and distributing revenue under Subsection (2)(a)(ii).

Amended by Chapter 290, 2025 General Session  
Amended by Chapter 498, 2025 General Session

***Effective 7/1/2026***

**59-12-1201 Motor vehicle rental tax -- Rate -- Exemptions -- Administration, collection, enforcement, and interpretation of tax -- Administrative charge -- Deposits.**

- (1) As used in this section:
  - (a) "Fairpark district board" means the board of the fairpark district.
  - (b) "Fairpark district" means the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201.

- (c) "Franchise agreement date" means the same as that term is defined in Section 11-70-101.
  - (d) "Stadium contribution" means the same as that term is defined in Section 11-70-101.
  - (e) "Transition date" means the first day of the calendar quarter that begins at least 90 days after the fairpark district board delivers to the commission the certificate described in Subsection (2)(a)(ii)(B).
- (2)
- (a)
    - (i) Except as provided in Subsections (4) and (5), there is imposed a tax of 2.5% on all short-term rentals of motor vehicles.
    - (ii)
      - (A) In addition to the tax imposed under Subsection (2)(a)(i) and except as provided in Subsections (4) and (5), beginning on the transition date there is imposed a tax of 1.5% on all short-term rentals of motor vehicles.
      - (B) After the franchise agreement date, the fairpark district board shall deliver to the commission a certificate verifying the execution of a franchise agreement, as defined in Section 11-70-101, and providing the franchise agreement date.
      - (C) A tax under this Subsection (2)(a)(ii) is imposed only if the franchise agreement date is on or before June 30, 2032.
  - (b) The tax imposed in this section is in addition to all other state, county, or municipal fees and taxes imposed on rentals of motor vehicles.
- (3)
- (a) Subject to Subsection (3)(b), a tax rate repeal or tax rate change for the tax imposed under Subsection (2) shall take effect on the first day of a calendar quarter.
  - (b)
    - (i) For a transaction subject to a tax under Subsection (2), a tax rate increase shall take effect on the first day of the first billing period:
      - (A) that begins after the effective date of the tax rate increase; and
      - (B) if the billing period for the transaction begins before the effective date of a tax rate increase imposed under Subsection (2).
    - (ii) For a transaction subject to a tax under Subsection (2), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:
      - (A) that began before the effective date of the repeal of the tax or the tax rate decrease; and
      - (B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under Subsection (2).
- (4) A tax imposed under this section applies at the same rate to car sharing of less than 30 days, except for car sharing for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair or an insurance agreement.
- (5) A motor vehicle is exempt from the tax imposed under this section if:
- (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;
  - (b) the motor vehicle is rented as a personal household goods moving van; or
  - (c) the lease or rental of the motor vehicle is made for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an insurance agreement.
- (6)
- (a)
    - (i) The tax authorized under this section shall be administered, collected, enforced, and interpreted in accordance with:

- (A) the same procedures used to administer, collect, enforce, and interpret the tax under Part 1, Tax Collection; and
- (B) Chapter 1, General Taxation Policies.
- (ii) Notwithstanding Subsection (6)(a)(i), a tax under this part is not subject to Subsections 59-12-103(4) through (10) or Section 59-12-107.1 or 59-12-123.
- (b) The commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the revenue the commission collects from a tax under this part.
- (c) Except as provided under Subsections (6)(b) and (d):
  - (i) the commission shall deposit daily with the state treasurer all revenue received under this section; and
  - (ii) the state treasurer shall credit monthly all revenue received under this section to the Marda Dillree Corridor Preservation Fund under Section 72-2-117.
- (d)
  - (i) Subject to Subsection (6)(d)(iii), all revenue received by the commission under Subsection (2)(a)(ii) shall be paid to the fairpark district.
  - (ii) Within 10 days after the fairpark district completes payment of the stadium contribution, the fairpark district board shall deliver to the commission a written statement verifying that the fairpark district has completed payment of the stadium contribution.
  - (iii) Upon receipt of the written statement under Subsection (6)(d)(ii), the commission shall:
    - (A) discontinue collecting revenue under Subsection (2)(a)(ii), beginning the first day of the calendar quarter that is at least 90 days after the commission's receipt of the written statement;
    - (B) discontinue distributing revenue under Subsection (2)(a)(ii) to the fairpark district, beginning the first day of the calendar quarter that is at least 90 days after the commission's receipt of the written statement; and
    - (C) notify the Executive Appropriations Committee of the Legislature that the commission is discontinuing collecting and distributing revenue under Subsection (2)(a)(ii).

Amended by Chapter 285, 2025 General Session

**59-12-1202 Seller or certified service provider reliance on commission information.**

A seller or certified service provider is not liable for failing to collect a tax at a tax rate imposed under this part if the seller's or certified service provider's failure to collect the tax is as a result of the seller's or certified service provider's reliance on incorrect data provided by the commission in a database created by the commission:

- (1) containing tax rates, boundaries, or local taxing jurisdiction assignments; or
- (2) indicating the taxability of tangible personal property, a product transferred electronically, or a service.

Amended by Chapter 203, 2009 General Session

**59-12-1203 Certified service provider or model 2 seller reliance on commission certified software.**

- (1) Except as provided in Subsection (2) and subject to Subsection (4), a certified service provider or model 2 seller is not liable for failing to collect a tax required under this part if:
  - (a) the certified service provider or model 2 seller relies on software the commission certifies; and
  - (b) the certified service provider's or model 2 seller's failure to collect a tax required under this part is as a result of the seller's or certified service provider's reliance on incorrect data:

- (i) provided by the commission; or
  - (ii) in the software the commission certifies.
- (2) The relief from liability described in Subsection (1) does not apply if a certified service provider or model 2 seller incorrectly classifies an item or transaction into a product category the commission certifies.
- (3) If the taxability of a product category is incorrectly classified in software the commission certifies, the commission shall:
- (a) notify a certified service provider or model 2 seller of the incorrect classification of the taxability of a product category in software the commission certifies; and
  - (b) state in the notice required by Subsection (3)(a) that the certified service provider or model 2 seller is liable for failing to collect the correct amount of tax under this part on the incorrectly classified product category if the certified service provider or model 2 seller fails to correct the taxability of the item or transaction within 10 days after the day on which the certified service provider or model 2 seller receives the notice.
- (4) If a certified service provider or model 2 seller fails to correct the taxability of an item or transaction within 10 days after the day on which the certified service provider or model 2 seller receives the notice described in Subsection (3), the certified service provider or model 2 seller is liable for failing to collect the correct amount of tax under this part on the item or transaction.

Enacted by Chapter 384, 2008 General Session

**59-12-1204 Purchaser relief from liability.**

- (1)
- (a) Except as provided in Subsection (1)(b), a purchaser is relieved from a penalty under Section 59-1-401 for failure to pay a tax due under this part or an underpayment if:
    - (i) the purchaser's seller or certified service provider relies on incorrect data provided by the commission:
      - (A) on a tax rate;
      - (B) on a boundary;
      - (C) on a taxing jurisdiction; or
      - (D) in the taxability matrix the commission provides in accordance with the agreement; or
    - (ii) the purchaser, regardless of whether the purchaser holds a direct payment permit in accordance with Section 59-12-107.1, relies on incorrect data provided by the commission:
      - (A) on a tax rate;
      - (B) on a boundary;
      - (C) on a taxing jurisdiction; or
      - (D) in the taxability matrix the commission provides in accordance with the agreement.
  - (b) For purposes of Subsection (1)(a), a purchaser is not relieved from a penalty under Section 59-1-401 for failure to pay a tax due under this part or an underpayment if the purchaser's, the purchaser's seller's, or the purchaser's certified service provider's reliance on incorrect data provided by the commission is as a result of conduct that is:
    - (i) fraudulent;
    - (ii) intentional; or
    - (iii) willful.
- (2) In addition to the relief from a penalty described in Subsection (1), a purchaser is not liable for a tax or interest under Section 59-1-402 for failure to pay a tax due under this part or an underpayment if:
- (a) the purchaser's seller or certified service provider relies on:

- (i) incorrect data provided by the commission:
    - (A) on a tax rate;
    - (B) on a boundary; or
    - (C) on a taxing jurisdiction; or
  - (ii) an erroneous classification by the commission:
    - (A) in the taxability matrix the commission provides in accordance with the agreement; and
    - (B) with respect to a term:
      - (I) in the library of definitions; and
      - (II) that is:
        - (Aa) listed as taxable or exempt;
        - (Bb) included in or excluded from "sales price"; or
        - (Cc) included in or excluded from a definition; or
- (b) the purchaser, regardless of whether the purchaser holds a direct payment permit in accordance with Section 59-12-107.1, relies on:
- (i) incorrect data provided by the commission:
    - (A) on a tax rate;
    - (B) on a boundary; or
    - (C) on a taxing jurisdiction; or
  - (ii) an erroneous classification by the commission:
    - (A) in the taxability matrix the commission provides in accordance with the agreement; and
    - (B) with respect to a term:
      - (I) in the library of definitions; and
      - (II) that is:
        - (Aa) listed as taxable or exempt;
        - (Bb) included in or excluded from "sales price"; or
        - (Cc) included in or excluded from a definition.

Enacted by Chapter 384, 2008 General Session