

**59-12-214 Location of a transaction involving the lease or rental of certain tangible personal property or a product transferred electronically.**

- (1) As used in this section:
  - (a) "Primary property location" means an address for tangible personal property or a product transferred electronically:
    - (i) a lessee provides to a lessor; and
    - (ii) that is available to the lessor from the lessor's records maintained in the ordinary course of business.
  - (b) "Primary property location" does not include an address described in Subsection (1)(a) if use of that address constitutes bad faith.
- (2)
  - (a) Except as provided in Subsection (2)(b) and notwithstanding Section 59-12-211, if a lease or rental of tangible personal property or a product transferred electronically that is subject to taxation under this part requires recurring periodic payments:
    - (i) the location of the transaction for any down payment and for the first recurring periodic payment is as provided in Section 59-12-211; and
    - (ii) the location of the transaction for the second recurring periodic payment and subsequent recurring periodic payments is the primary property or product location for each time period covered by the recurring periodic payment.
  - (b) If a transaction subject to taxation under this chapter involving a lease or rental of an aircraft or a motor vehicle, semitrailer, or trailer that is not transportation equipment as defined in Section 59-12-211 requires recurring periodic payments, the location of the transaction for a down payment and for each recurring periodic payment is the primary property location for each time period covered by the recurring periodic payment.
- (3) Notwithstanding Section 59-12-211, if a transaction involving a lease or rental of the following does not require recurring periodic payments, the location of the transaction is as provided in Section 59-12-211 for each lease or rental payment for:
  - (a) tangible personal property or a product transferred electronically that is subject to taxation under this chapter; or
  - (b) an aircraft or a motor vehicle, semitrailer, or trailer that is:
    - (i) not transportation equipment under Section 59-12-211; and
    - (ii) subject to taxation under this chapter.
- (4) This section does not affect the imposition or computation of a tax under this chapter on:
  - (a) a lease or rental of tangible personal property or a product transferred electronically that is subject to taxation under this chapter on:
    - (i) the basis of a lump sum; or
    - (ii) an accelerated basis; or
  - (b) the acquisition of tangible personal property or a product transferred electronically if that tangible personal property or product transferred electronically is:
    - (i) subject to taxation under this chapter; and
    - (ii) for lease.

Enacted by Chapter 384, 2008 General Session