

**Representative Kevin S. Garn** proposes the following substitute bill:

**MULTI-CHANNEL VIDEO OR AUDIO  
SERVICE TAX ACT AMENDMENTS**

2008 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne L. Niederhauser**

House Sponsor: Kevin S. Garn

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**LONG TITLE**

**General Description:**

This bill amends the Multi-Channel Video or Audio Service Tax Act relating to the calculation of the tax.

**Highlighted Provisions:**

This bill:

- ▶ provides that a county or municipality franchise fee a multi-channel video or audio service provider pays, passes through to a purchaser, and separately states on the purchaser's bill is not considered to be an amount paid or charged for purposes of imposing the tax; and

- ▶ makes technical changes.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill takes effect on January 1, 2009.

**Utah Code Sections Affected:**

AMENDS:

**59-26-103**, as last amended by Laws of Utah 2007, Chapter 288



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

Section 1. Section **59-26-103** is amended to read:

**59-26-103. Imposition of tax -- Rate.**

(1) Subject to Subsection (2) and Section 59-26-104.5, there is imposed as provided in this part a tax on the purchaser equal to 6.25% of [~~amounts~~] the amount paid or charged for multi-channel video or audio service provided by a multi-channel video or audio service provider:

- ~~[(1)]~~ (a) within the state; and
- ~~[(2)]~~ (b) to the extent permitted by federal law.

(2) For purposes of Subsection (1), the amount paid or charged for multi-channel video or audio service may not include a county or municipality franchise fee a multi-channel video or audio service provider:

- (a) pays;
- (b) passes through to a purchaser; and
- (c) separately states as a county or municipality franchise fee on a bill provided to the purchaser described in Subsection (2)(b).

Section 2. **Effective date.**

This bill takes effect on January 1, 2009.

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**Fiscal Note****S.B. 96 1st Sub. (Green) - Multi-channel Video or Audio Service Tax Act  
Amendments**

2008 General Session

State of Utah

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**State Impact**

Enactment of this bill could reduce the General Fund by \$176,000 in FY 2009 and by \$351,000 in FY 2010.

	<u>FY 2008 Approp.</u>	<u>FY 2009 Approp.</u>	<u>FY 2010 Approp.</u>	<u>FY 2008 Revenue</u>	<u>FY 2009 Revenue</u>	<u>FY 2010 Revenue</u>
General Fund	\$0	\$0	\$0	\$0	(\$176,000)	(\$351,000)
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$176,000)</b>	<b>(\$351,000)</b>

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**Individual, Business and/or Local Impact**

Individual impact will vary depending on the service provided.