

WITHHOLDING TAX AMENDMENTS

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Evan J. Vickers

Senate Sponsor: Dennis E. Stowell

LONG TITLE

Committee Note:

The Revenue and Taxation Interim Committee recommended this bill.

General Description:

This bill modifies the Withholding of Tax part to address withholding prepayments.

Highlighted Provisions:

This bill:

- ▶ modifies withholding requirements to address:
 - withholding prepayments and accompanying forms; and
 - penalties and interest; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-10-407, as last amended by Laws of Utah 1988, Chapter 213

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

Section 1. Section **59-10-407** is amended to read:



28 **59-10-407. Withholding tax prepayments.**

29 [~~(1) The provisions of this section do not apply to employers filing state withholding~~
30 ~~tax returns for other than quarterly periods.~~]

31 (1) This section does not apply to an employer filing a withholding tax return for a
32 period under this part other than a quarterly period.

33 (2) (a) Any employer whose withholding tax liability under Section 59-10-402 is
34 estimated to average an amount designated by the commission by rule[;] shall make a monthly
35 ~~[return and pay] prepayment~~ of the amount required to be paid by Section 59-10-406 for each
36 monthly period of each quarterly period. ~~[Monthly payment shall be made during the quarterly~~
37 ~~period designated by the commission and during each succeeding quarterly period until further~~
38 ~~notified in writing. The monthly return shall be prescribed and furnished by the commission~~
39 ~~and shall be filed with the commission]~~

40 (b) An employer that makes a monthly prepayment described in this Subsection (2)
41 shall make the monthly prepayment as provided in this section until the commission notifies
42 the employer in writing.

43 (c) (i) An employer shall file a form with a monthly prepayment.

44 (ii) The commission shall prescribe and furnish the form described in Subsection
45 (2)(c)(i).

46 (iii) An employer shall make a monthly prepayment and file the form described in
47 Subsection (2)(c)(i) on or before the last day of the month after the end of each monthly period
48 of each quarterly period.

49 (3) In determining whether an employer's estimated withholding tax liability will
50 average an amount that requires a monthly ~~[filing] prepayment~~, the commission may consider
51 ~~[returns]:~~

52 (a) a return filed pursuant to Section 59-10-406~~[, as well as any]; or~~

53 (b) information in [its] the commission's possession or [which] that may come into [its]
54 the commission's possession.

55 (4) ~~[The civil and criminal penalties provided by this title for failure to file returns or~~
56 ~~pay taxes on time and the provisions for additions of penalties and interest to tax liability shall~~
57 ~~apply in the same manner to a] The penalties and interest for failure to [file reports covering~~
58 ~~and make prepayments of withholding taxes on time as provided in this section] make a~~

59 monthly prepayment and file the form described in Subsection (2)(c)(i) by the due date
60 described in Subsection (2)(c)(iii) are the same as the penalties and interest under Sections
61 59-1-401 and 59-1-402 relating to payment of a tax, fee, or charge or filing a return.

Legislative Review Note
as of 11-25-08 3:51 PM

Office of Legislative Research and General Counsel