

274 Internal Revenue Code.

275 (ii) Notwithstanding Subsection (9)(a)(i), "bad debt" does not include:

276 (A) an amount included in the purchase price of tangible personal property, a product
277 transferred electronically, or a service that is:

278 (I) not a transaction described in Subsection 59-12-103(1); or

279 (II) exempt under Section 59-12-104;

280 (B) a financing charge;

281 (C) interest;

282 (D) a tax imposed under this chapter on the purchase price of tangible personal
283 property, a product transferred electronically, or a service;

284 (E) an uncollectible amount on tangible personal property or a product transferred
285 electronically that:

286 (I) is subject to a tax under this chapter; and

287 (II) remains in the possession of a seller until the full purchase price is paid;

288 (F) an expense incurred in attempting to collect any debt; or

289 (G) an amount that a seller does not collect on repossessed property.

290 (b) (i) ~~[A]~~ To the extent an amount remitted in accordance with Subsection (3)(d)

290a ~~§~~ → ~~[or (e)]~~ ← ~~§~~

291 later becomes bad debt, a seller may deduct the bad debt from the total amount from which a
292 tax under this chapter is calculated on a return.

293 (ii) A qualifying purchaser, as defined in Subsection (3)(e)(ii)(A), may deduct from the
294 total amount of taxes due under this chapter the amount of tax the qualifying purchaser paid on
295 the qualifying purchaser's purchase of tangible personal property converted into real property to
296 the extent that:

297 (A) tax was remitted in accordance with Subsection (3)(e) on that tangible personal
298 property converted into real property;

299 (B) the qualifying purchaser's sale of that tangible personal property converted into real
300 property later becomes bad debt; and

301 (C) the books and records that the qualifying purchaser keeps in the qualifying
302 purchaser's regular course of business identify by reasonable and verifiable standards that the
303 tangible personal property was converted into real property.

304 (c) A seller may file a refund claim with the commission if: