

1 **MULTI-CHANNEL VIDEO OR AUDIO SERVICE TAX**

2 **AMENDMENTS**

3 2012 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Wayne L. Niederhauser**

6 House Sponsor: Ryan D. Wilcox

8 **LONG TITLE**

9 **General Description:**

10 This bill increases a tax credit and repeals obsolete language under the Multi-Channel
11 Video or Audio Service Tax Act.

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ increases a tax credit under the Multi-Channel Video or Audio Service Tax Act;
- 15 ▶ repeals obsolete language related to a study on the Multi-Channel Video or Audio
16 Service Tax Act; and
- 17 ▶ makes technical and conforming changes.

18 **Money Appropriated in this Bill:**

19 None

20 **Other Special Clauses:**

21 This bill takes effect on July 1, 2012.

22 **Utah Code Sections Affected:**

23 AMENDS:

24 **59-26-104.5**, as enacted by Laws of Utah 2007, Chapter 288

25 REPEALS:

26 **59-26-110**, as enacted by Laws of Utah 2004, Chapter 300



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

29 Section 1. Section **59-26-104.5** is amended to read:

30 **59-26-104.5. Nonrefundable credit against tax -- Amounts passed through to**
31 **customers within the state -- Tax may not be reduced by amounts passed through to**
32 **customers within the state.**

33 (1) [~~Beginning on January 1, 2008, a~~] A multi-channel video or audio service provider
34 may claim a nonrefundable tax credit as provided in this section.

35 (2) The nonrefundable tax credit described in Subsection (1):

36 (a) may be claimed against the tax the multi-channel video or audio service provider
37 would otherwise be required to collect under this chapter from its purchasers within the state;
38 and

39 (b) is in an amount equal to [~~50% of~~] the total amount of county or municipality
40 franchise fees that the multi-channel video or audio service provider pays:

41 (i) to all of the counties and municipalities within the state that impose a county or
42 municipality franchise fee; and

43 (ii) for the calendar quarter for which the multi-channel video or audio service provider
44 files a return under this chapter.

45 (3) The nonrefundable tax credit described in Subsection (1) may not be carried
46 forward or carried back.

47 (4) (a) Subject to Subsections (4)(b) and (c), a multi-channel video or audio service
48 provider shall pass through to its purchasers within the state an amount equal to the amount of
49 the nonrefundable tax credit the multi-channel video or audio service provider claims for a
50 calendar quarter.

51 (b) The amount that a multi-channel video or audio service provider passes through to
52 its purchasers within the state under Subsection (4)(a) shall be passed through during the same
53 calendar quarter as the calendar quarter for which the multi-channel video or audio service
54 provider claims the nonrefundable tax credit.

55 (c) A tax under this chapter on amounts paid or charged for multi-channel video or
56 audio service may not be reduced as a result of the amount a multi-channel video or audio
57 service provider passes through to its customers within this state under this Subsection (4).

58 Section 2. **Repealer.**

59 This bill repeals:
60 Section **59-26-110, Revenue and Taxation Interim Committee study.**
61 Section 3. **Effective date.**
62 This bill takes effect on July 1, 2012.

Legislative Review Note
as of 12-13-11 3:05 PM

Office of Legislative Research and General Counsel