

Senator Curtis S. Bramble proposes the following substitute bill:

NATIONAL GUARD PROGRAM AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Val L. Peterson

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill establishes the Utah National Guard Morale, Welfare, and Recreation Program.

Highlighted Provisions:

This bill:

- ▶ authorizes the establishment of a state Morale, Welfare, and Recreation Program for the Utah National Guard;
- ▶ defines terms;
- ▶ specifies who is entitled to use the program;
- ▶ requires the adjutant general to set requirements and parameters for the program;
- ▶ allows the use of State Armory Board properties for the program; and
- ▶ creates an expendable special revenue fund for money generated by the program.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:



26 [59-12-104](#), as last amended by Laws of Utah 2013, Chapters 82, 223, 229, 234, and 441

27 ENACTS:

28 [39-9-101](#), Utah Code Annotated 1953

29 [39-9-102](#), Utah Code Annotated 1953

30 [39-9-103](#), Utah Code Annotated 1953

31 [39-9-104](#), Utah Code Annotated 1953

32 [39-9-105](#), Utah Code Annotated 1953

33 [39-9-106](#), Utah Code Annotated 1953

34 [39-9-107](#), Utah Code Annotated 1953



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

37 Section 1. Section [39-9-101](#) is enacted to read:

38 **CHAPTER 9. STATE MORALE, WELFARE, AND RECREATION PROGRAM**

39 **[39-9-101](#). Title -- Program established.**

40 (1) This chapter is known as the "State Morale, Welfare, and Recreation Program."

41 (2) The adjutant general is authorized to establish a Utah National Guard Morale,
42 Welfare, and Recreation Program to serve members of the military, eligible dependents, and
43 others as set out in Section [39-9-103](#).

44 Section 2. Section [39-9-102](#) is enacted to read:

45 **[39-9-102](#). Definitions.**

46 For purposes of this chapter:

47 (1) "Dependent" means the spouse or children of a person eligible to use the program
48 and facilities in accordance with Section [39-9-103](#).

49 (2) "MWR" means morale, welfare, and recreation.

50 (3) "MWR facility" means any Utah National Guard facility located on a Department
51 of Defense or Utah National Guard installation or on property controlled by the Department of
52 Defense or the Utah National Guard, the purpose of which is to enhance MWR for authorized
53 patrons.

54 Section 3. Section [39-9-103](#) is enacted to read:

55 **[39-9-103](#). Eligibility and facilities.**

56 (1) Use of the MWR program and facilities is limited to:

57 (a) active and reserve component members of the Utah National Guard and armed
58 forces of the United States;

59 (b) persons retired from the armed forces of the United States;

60 (c) civilian employees of the Utah National Guard;

61 (d) dependents of authorized persons in Subsections (1)(a) through (c);

62 (e) contracted employees of the Utah National Guard while working on-site or
63 conducting business on National Guard property; and

64 (f) sponsored persons when personally accompanied by a sponsor who is an eligible
65 patron as described in this section.

66 (2) MWR facilities include any of the following, even if the shop, building, or parcel is
67 only partially used for MWR purposes:

68 (a) post or base exchange;

69 (b) canteen or service club;

70 (c) barber shop;

71 (d) fitness center;

72 (e) snack bar;

73 (f) restaurant;

74 (g) billeting operation;

75 (h) laundry facility;

76 (i) range;

77 (j) swimming pool; or

78 (k) any other shop, building, or parcel that meets the definition of MWR facility in

79 Section [39-9-102](#).

80 (3) The adjutant general shall, by regulation, determine specific use priorities when
81 MWR facilities cannot accommodate all authorized patrons.

82 Section 4. Section **39-9-104** is enacted to read:

83 **39-9-104. Administration of MWR Program.**

84 (1) The adjutant general may authorize the program to:

85 (a) contract for goods and services;

86 (b) hire employees; and

87 (c) receive funds from patrons in exchange for goods or services provided within the

88 program.

89 (2) The adjutant general is authorized to establish MWR facilities throughout the state
90 that, in the adjutant general's judgment, are necessary for military purposes.

91 (3) The adjutant general shall promulgate regulations to govern the operation of the
92 program.

93 (4) The adjutant general may appoint a director for the program.

94 (5) The adjutant general shall establish a system of bookkeeping, accounting, and
95 auditing procedures for the proper handling of funds derived from the program's operations.

96 (6) The program may use State Armory Board-controlled properties, provided:

97 (a) the use incurs no more than nominal cost to the state; or

98 (b) any costs to the state above nominal associated with the use are reimbursed to the
99 state by the program.

100 Section 5. Section **39-9-105** is enacted to read:

101 **39-9-105. National Guard MWR Fund -- Proceeds.**

102 (1) There is created an expendable special revenue fund known as the National Guard
103 MWR Fund.

104 (2) The fund shall consist of:

105 (a) all proceeds collected under this chapter;

106 (b) donations made to the National Guard MWR Program; and

107 (c) any appropriations to the program by the Legislature.

108 (3) Money from the fund shall be used for the enhancement of morale, welfare, and
109 recreation, and the administration of the program under this chapter, including paying the costs
110 of:

111 (a) salaries of program employees;

112 (b) public liability insurance, when needed;

113 (c) the adjutant general's Outreach Program;

114 (d) the State Partnership Program; and

115 (e) any other expenses considered necessary in furtherance of the program by the
116 adjutant general or the adjutant general's designee.

117 Section 6. Section **39-9-106** is enacted to read:

118 **39-9-106. Risk management.**

119 (1) The program shall be eligible to participate in the state risk management pool.

120 (2) The program shall procure separate insurance policies to cover liability associated
121 with activities and operations not otherwise covered in the state risk management pool or by
122 the Division of Risk Management.

123 Section 7. Section **39-9-107** is enacted to read:

124 **39-9-107. Equipment rentals and sales of food and beverage.**

125 Equipment rental and food and beverage sales shall be made in accordance with
126 applicable state and federal law.

127 Section 8. Section **59-12-104** is amended to read:

128 **59-12-104. Exemptions.**

129 The following sales and uses are exempt from the taxes imposed by this chapter:

130 (1) sales of aviation fuel, motor fuel, and special fuel subject to a Utah state excise tax
131 under Chapter 13, Motor and Special Fuel Tax Act;

132 (2) subject to Section **59-12-104.6**, sales to the state, its institutions, and its political
133 subdivisions; however, this exemption does not apply to sales of:

134 (a) construction materials except:

135 (i) construction materials purchased by or on behalf of institutions of the public
136 education system as defined in Utah Constitution Article X, Section 2, provided the
137 construction materials are clearly identified and segregated and installed or converted to real
138 property which is owned by institutions of the public education system; and

139 (ii) construction materials purchased by the state, its institutions, or its political
140 subdivisions which are installed or converted to real property by employees of the state, its
141 institutions, or its political subdivisions; or

142 (b) tangible personal property in connection with the construction, operation,
143 maintenance, repair, or replacement of a project, as defined in Section **11-13-103**, or facilities
144 providing additional project capacity, as defined in Section **11-13-103**;

145 (3) (a) sales of an item described in Subsection (3)(b) from a vending machine if:

146 (i) the proceeds of each sale do not exceed \$1; and

147 (ii) the seller or operator of the vending machine reports an amount equal to 150% of
148 the cost of the item described in Subsection (3)(b) as goods consumed; and

149 (b) Subsection (3)(a) applies to:

- 150 (i) food and food ingredients; or
151 (ii) prepared food;
152 (4) (a) sales of the following to a commercial airline carrier for in-flight consumption:
153 (i) alcoholic beverages;
154 (ii) food and food ingredients; or
155 (iii) prepared food;
156 (b) sales of tangible personal property or a product transferred electronically:
157 (i) to a passenger;
158 (ii) by a commercial airline carrier; and
159 (iii) during a flight for in-flight consumption or in-flight use by the passenger; or
160 (c) services related to Subsection (4)(a) or (b);
161 (5) (a) (i) beginning on July 1, 2008, and ending on September 30, 2008, sales of parts
162 and equipment:
163 (A) (I) by an establishment described in NAICS Code 336411 or 336412 of the 2002
164 North American Industry Classification System of the federal Executive Office of the
165 President, Office of Management and Budget; and
166 (II) for:
167 (Aa) installation in an aircraft, including services relating to the installation of parts or
168 equipment in the aircraft;
169 (Bb) renovation of an aircraft; or
170 (Cc) repair of an aircraft; or
171 (B) for installation in an aircraft operated by a common carrier in interstate or foreign
172 commerce; or
173 (ii) beginning on October 1, 2008, sales of parts and equipment for installation in an
174 aircraft operated by a common carrier in interstate or foreign commerce; and
175 (b) notwithstanding the time period of Subsection 59-1-1410(8) for filing for a refund,
176 a person may claim the exemption allowed by Subsection (5)(a)(i)(B) for a sale by filing for a
177 refund:
178 (i) if the sale is made on or after July 1, 2008, but on or before September 30, 2008;
179 (ii) as if Subsection (5)(a)(i)(B) were in effect on the day on which the sale is made;
180 (iii) if the person did not claim the exemption allowed by Subsection (5)(a)(i)(B) for

181 the sale prior to filing for the refund;

182 (iv) for sales and use taxes paid under this chapter on the sale;

183 (v) in accordance with Section 59-1-1410; and

184 (vi) subject to any extension allowed for filing for a refund under Section 59-1-1410, if

185 the person files for the refund on or before September 30, 2011;

186 (6) sales of commercials, motion picture films, prerecorded audio program tapes or
187 records, and prerecorded video tapes by a producer, distributor, or studio to a motion picture
188 exhibitor, distributor, or commercial television or radio broadcaster;

189 (7) (a) subject to Subsection (7)(b), sales of cleaning or washing of tangible personal
190 property if the cleaning or washing of the tangible personal property is not assisted cleaning or
191 washing of tangible personal property;

192 (b) if a seller that sells at the same business location assisted cleaning or washing of
193 tangible personal property and cleaning or washing of tangible personal property that is not
194 assisted cleaning or washing of tangible personal property, the exemption described in
195 Subsection (7)(a) applies if the seller separately accounts for the sales of the assisted cleaning
196 or washing of the tangible personal property; and

197 (c) for purposes of Subsection (7)(b) and in accordance with Title 63G, Chapter 3,
198 Utah Administrative Rulemaking Act, the commission may make rules:

199 (i) governing the circumstances under which sales are at the same business location;
200 and

201 (ii) establishing the procedures and requirements for a seller to separately account for
202 sales of assisted cleaning or washing of tangible personal property;

203 (8) sales made to or by religious or charitable institutions in the conduct of their regular
204 religious or charitable functions and activities, if the requirements of Section 59-12-104.1 are
205 fulfilled;

206 (9) sales of a vehicle of a type required to be registered under the motor vehicle laws of
207 this state if the vehicle is:

208 (a) not registered in this state; and

209 (b) (i) not used in this state; or

210 (ii) used in this state:

211 (A) if the vehicle is not used to conduct business, for a time period that does not

212 exceed the longer of:

213 (I) 30 days in any calendar year; or

214 (II) the time period necessary to transport the vehicle to the borders of this state; or

215 (B) if the vehicle is used to conduct business, for the time period necessary to transport

216 the vehicle to the borders of this state;

217 (10) (a) amounts paid for an item described in Subsection (10)(b) if:

218 (i) the item is intended for human use; and

219 (ii) (A) a prescription was issued for the item; or

220 (B) the item was purchased by a hospital or other medical facility; and

221 (b) (i) Subsection (10)(a) applies to:

222 (A) a drug;

223 (B) a syringe; or

224 (C) a stoma supply; and

225 (ii) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

226 commission may by rule define the terms:

227 (A) "syringe"; or

228 (B) "stoma supply";

229 (11) sales or use of property, materials, or services used in the construction of or

230 incorporated in pollution control facilities allowed by Sections [19-2-123](#) through [19-2-127](#);

231 (12) (a) sales of an item described in Subsection (12)(c) served by:

232 (i) the following if the item described in Subsection (12)(c) is not available to the

233 general public:

234 (A) a church; or

235 (B) a charitable institution;

236 (ii) an institution of higher education if:

237 (A) the item described in Subsection (12)(c) is not available to the general public; or

238 (B) the item described in Subsection (12)(c) is prepaid as part of a student meal plan

239 offered by the institution of higher education; or

240 (b) sales of an item described in Subsection (12)(c) provided for a patient by:

241 (i) a medical facility; or

242 (ii) a nursing facility; and

243 (c) Subsections (12)(a) and (b) apply to:
244 (i) food and food ingredients;
245 (ii) prepared food; or
246 (iii) alcoholic beverages;
247 (13) (a) except as provided in Subsection (13)(b), the sale of tangible personal property
248 or a product transferred electronically by a person:
249 (i) regardless of the number of transactions involving the sale of that tangible personal
250 property or product transferred electronically by that person; and
251 (ii) not regularly engaged in the business of selling that type of tangible personal
252 property or product transferred electronically;
253 (b) this Subsection (13) does not apply if:
254 (i) the sale is one of a series of sales of a character to indicate that the person is
255 regularly engaged in the business of selling that type of tangible personal property or product
256 transferred electronically;
257 (ii) the person holds that person out as regularly engaged in the business of selling that
258 type of tangible personal property or product transferred electronically;
259 (iii) the person sells an item of tangible personal property or product transferred
260 electronically that the person purchased as a sale that is exempt under Subsection (25); or
261 (iv) the sale is of a vehicle or vessel required to be titled or registered under the laws of
262 this state in which case the tax is based upon:
263 (A) the bill of sale or other written evidence of value of the vehicle or vessel being
264 sold; or
265 (B) in the absence of a bill of sale or other written evidence of value, the fair market
266 value of the vehicle or vessel being sold at the time of the sale as determined by the
267 commission; and
268 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
269 commission shall make rules establishing the circumstances under which:
270 (i) a person is regularly engaged in the business of selling a type of tangible personal
271 property or product transferred electronically;
272 (ii) a sale of tangible personal property or a product transferred electronically is one of
273 a series of sales of a character to indicate that a person is regularly engaged in the business of

274 selling that type of tangible personal property or product transferred electronically; or
275 (iii) a person holds that person out as regularly engaged in the business of selling a type
276 of tangible personal property or product transferred electronically;

277 (14) (a) except as provided in Subsection (14)(b), amounts paid or charged on or after
278 July 1, 2006, for a purchase or lease by a manufacturing facility except for a cogeneration
279 facility, of the following:

280 (i) machinery and equipment that:

281 (A) are used:

282 (I) for a manufacturing facility except for a manufacturing facility that is a scrap
283 recycler described in Subsection 59-12-102(64)(b):

284 (Aa) in the manufacturing process;

285 (Bb) to manufacture an item sold as tangible personal property; and

286 (Cc) beginning on July 1, 2009, in a manufacturing facility described in this Subsection
287 (14)(a)(i)(A)(I) in the state; or

288 (II) for a manufacturing facility that is a scrap recycler described in Subsection
289 59-12-102(64)(b):

290 (Aa) to process an item sold as tangible personal property; and

291 (Bb) beginning on July 1, 2009, in a manufacturing facility described in this Subsection
292 (14)(a)(i)(A)(II) in the state; and

293 (B) have an economic life of three or more years; and

294 (ii) normal operating repair or replacement parts that:

295 (A) have an economic life of three or more years; and

296 (B) are used:

297 (I) for a manufacturing facility except for a manufacturing facility that is a scrap
298 recycler described in Subsection 59-12-102(64)(b):

299 (Aa) in the manufacturing process; and

300 (Bb) in a manufacturing facility described in this Subsection (14)(a)(ii)(B)(I) in the
301 state; or

302 (II) for a manufacturing facility that is a scrap recycler described in Subsection
303 59-12-102(64)(b):

304 (Aa) to process an item sold as tangible personal property; and

305 (Bb) in a manufacturing facility described in this Subsection (14)(a)(ii)(B)(II) in the
306 state;

307 (b) amounts paid or charged on or after July 1, 2005, for a purchase or lease by a
308 manufacturing facility that is a cogeneration facility placed in service on or after May 1, 2006,
309 of the following:

310 (i) machinery and equipment that:

311 (A) are used:

312 (I) in the manufacturing process;

313 (II) to manufacture an item sold as tangible personal property; and

314 (III) beginning on July 1, 2009, in a manufacturing facility described in this Subsection
315 (14)(b) in the state; and

316 (B) have an economic life of three or more years; and

317 (ii) normal operating repair or replacement parts that:

318 (A) are used:

319 (I) in the manufacturing process; and

320 (II) in a manufacturing facility described in this Subsection (14)(b) in the state; and

321 (B) have an economic life of three or more years;

322 (c) amounts paid or charged for a purchase or lease made on or after January 1, 2008,

323 by an establishment described in NAICS Subsector 212, Mining (except Oil and Gas), or

324 NAICS Code 213113, Support Activities for Coal Mining, 213114, Support Activities for

325 Metal Mining, or 213115, Support Activities for Nonmetallic Minerals (except Fuels) Mining,

326 of the 2002 North American Industry Classification System of the federal Executive Office of

327 the President, Office of Management and Budget, of the following:

328 (i) machinery and equipment that:

329 (A) are used:

330 (I) (Aa) in the production process, other than the production of real property; or

331 (Bb) in research and development; and

332 (II) beginning on July 1, 2009, in an establishment described in this Subsection (14)(c)
333 in the state; and

334 (B) have an economic life of three or more years; and

335 (ii) normal operating repair or replacement parts that:

- 336 (A) have an economic life of three or more years; and
- 337 (B) are used in:
 - 338 (I) (Aa) the production process, except for the production of real property; and
 - 339 (Bb) an establishment described in this Subsection (14)(c) in the state; or
 - 340 (II) (Aa) research and development; and
 - 341 (Bb) in an establishment described in this Subsection (14)(c) in the state;
 - 342 (d) (i) amounts paid or charged for a purchase or lease made on or after July 1, 2010,
 - 343 but on or before June 30, 2014, by an establishment described in NAICS Code 518112, Web
 - 344 Search Portals, of the 2002 North American Industry Classification System of the federal
 - 345 Executive Office of the President, Office of Management and Budget, of the following:
 - 346 (A) machinery and equipment that:
 - 347 (I) are used in the operation of the web search portal;
 - 348 (II) have an economic life of three or more years; and
 - 349 (III) are used in a new or expanding establishment described in this Subsection (14)(d)
 - 350 in the state; and
 - 351 (B) normal operating repair or replacement parts that:
 - 352 (I) are used in the operation of the web search portal;
 - 353 (II) have an economic life of three or more years; and
 - 354 (III) are used in a new or expanding establishment described in this Subsection (14)(d)
 - 355 in the state; or
 - 356 (ii) amounts paid or charged for a purchase or lease made on or after July 1, 2014, by
 - 357 an establishment described in NAICS Code 518112, Web Search Portals, of the 2002 North
 - 358 American Industry Classification System of the federal Executive Office of the President,
 - 359 Office of Management and Budget, of the following:
 - 360 (A) machinery and equipment that:
 - 361 (I) are used in the operation of the web search portal; and
 - 362 (II) have an economic life of three or more years; and
 - 363 (B) normal operating repair or replacement parts that:
 - 364 (I) are used in the operation of the web search portal; and
 - 365 (II) have an economic life of three or more years;
 - 366 (e) for purposes of this Subsection (14) and in accordance with Title 63G, Chapter 3,

367 Utah Administrative Rulemaking Act, the commission:

368 (i) shall by rule define the term "establishment"; and

369 (ii) may by rule define what constitutes:

370 (A) processing an item sold as tangible personal property;

371 (B) the production process, except for the production of real property;

372 (C) research and development; or

373 (D) a new or expanding establishment described in Subsection (14)(d) in the state; and

374 (f) on or before October 1, 2011, and every five years after October 1, 2011, the

375 commission shall:

376 (i) review the exemptions described in this Subsection (14) and make

377 recommendations to the Revenue and Taxation Interim Committee concerning whether the

378 exemptions should be continued, modified, or repealed; and

379 (ii) include in its report:

380 (A) an estimate of the cost of the exemptions;

381 (B) the purpose and effectiveness of the exemptions; and

382 (C) the benefits of the exemptions to the state;

383 (15) (a) sales of the following if the requirements of Subsection (15)(b) are met:

384 (i) tooling;

385 (ii) special tooling;

386 (iii) support equipment;

387 (iv) special test equipment; or

388 (v) parts used in the repairs or renovations of tooling or equipment described in

389 Subsections (15)(a)(i) through (iv); and

390 (b) sales of tooling, equipment, or parts described in Subsection (15)(a) are exempt if:

391 (i) the tooling, equipment, or parts are used or consumed exclusively in the

392 performance of any aerospace or electronics industry contract with the United States

393 government or any subcontract under that contract; and

394 (ii) under the terms of the contract or subcontract described in Subsection (15)(b)(i),

395 title to the tooling, equipment, or parts is vested in the United States government as evidenced

396 by:

397 (A) a government identification tag placed on the tooling, equipment, or parts; or

398 (B) listing on a government-approved property record if placing a government
399 identification tag on the tooling, equipment, or parts is impractical;
400 (16) sales of newspapers or newspaper subscriptions;
401 (17) (a) except as provided in Subsection (17)(b), tangible personal property or a
402 product transferred electronically traded in as full or part payment of the purchase price, except
403 that for purposes of calculating sales or use tax upon vehicles not sold by a vehicle dealer,
404 trade-ins are limited to other vehicles only, and the tax is based upon:

405 (i) the bill of sale or other written evidence of value of the vehicle being sold and the
406 vehicle being traded in; or

407 (ii) in the absence of a bill of sale or other written evidence of value, the then existing
408 fair market value of the vehicle being sold and the vehicle being traded in, as determined by the
409 commission; and

410 (b) Subsection (17)(a) does not apply to the following items of tangible personal
411 property or products transferred electronically traded in as full or part payment of the purchase
412 price:

413 (i) money;

414 (ii) electricity;

415 (iii) water;

416 (iv) gas; or

417 (v) steam;

418 (18) (a) (i) except as provided in Subsection (18)(b), sales of tangible personal property
419 or a product transferred electronically used or consumed primarily and directly in farming
420 operations, regardless of whether the tangible personal property or product transferred
421 electronically:

422 (A) becomes part of real estate; or

423 (B) is installed by a:

424 (I) farmer;

425 (II) contractor; or

426 (III) subcontractor; or

427 (ii) sales of parts used in the repairs or renovations of tangible personal property or a
428 product transferred electronically if the tangible personal property or product transferred

429 electronically is exempt under Subsection (18)(a)(i); and

430 (b) amounts paid or charged for the following are subject to the taxes imposed by this
431 chapter:

432 (i) (A) subject to Subsection (18)(b)(i)(B), the following if used in a manner that is
433 incidental to farming:

434 (I) machinery;

435 (II) equipment;

436 (III) materials; or

437 (IV) supplies; and

438 (B) tangible personal property that is considered to be used in a manner that is
439 incidental to farming includes:

440 (I) hand tools; or

441 (II) maintenance and janitorial equipment and supplies;

442 (ii) (A) subject to Subsection (18)(b)(ii)(B), tangible personal property or a product
443 transferred electronically if the tangible personal property or product transferred electronically
444 is used in an activity other than farming; and

445 (B) tangible personal property or a product transferred electronically that is considered
446 to be used in an activity other than farming includes:

447 (I) office equipment and supplies; or

448 (II) equipment and supplies used in:

449 (Aa) the sale or distribution of farm products;

450 (Bb) research; or

451 (Cc) transportation; or

452 (iii) a vehicle required to be registered by the laws of this state during the period
453 ending two years after the date of the vehicle's purchase;

454 (19) sales of hay;

455 (20) exclusive sale during the harvest season of seasonal crops, seedling plants, or
456 garden, farm, or other agricultural produce if the seasonal crops are, seedling plants are, or
457 garden, farm, or other agricultural produce is sold by:

458 (a) the producer of the seasonal crops, seedling plants, or garden, farm, or other
459 agricultural produce;

460 (b) an employee of the producer described in Subsection (20)(a); or
461 (c) a member of the immediate family of the producer described in Subsection (20)(a);
462 (21) purchases made using a coupon as defined in 7 U.S.C. Sec. 2012 that is issued
463 under the Food Stamp Program, 7 U.S.C. Sec. 2011 et seq.;

464 (22) sales of nonreturnable containers, nonreturnable labels, nonreturnable bags,
465 nonreturnable shipping cases, and nonreturnable casings to a manufacturer, processor,
466 wholesaler, or retailer for use in packaging tangible personal property to be sold by that
467 manufacturer, processor, wholesaler, or retailer;

468 (23) a product stored in the state for resale;

469 (24) (a) purchases of a product if:

470 (i) the product is:

471 (A) purchased outside of this state;

472 (B) brought into this state:

473 (I) at any time after the purchase described in Subsection (24)(a)(i)(A); and
474 (II) by a nonresident person who is not living or working in this state at the time of the
475 purchase;

476 (C) used for the personal use or enjoyment of the nonresident person described in
477 Subsection (24)(a)(i)(B)(II) while that nonresident person is within the state; and

478 (D) not used in conducting business in this state; and

479 (ii) for:

480 (A) a product other than a boat described in Subsection (24)(a)(ii)(B), the first use of
481 the product for a purpose for which the product is designed occurs outside of this state;

482 (B) a boat, the boat is registered outside of this state; or

483 (C) a vehicle other than a vehicle sold to an authorized carrier, the vehicle is registered
484 outside of this state;

485 (b) the exemption provided for in Subsection (24)(a) does not apply to:

486 (i) a lease or rental of a product; or

487 (ii) a sale of a vehicle exempt under Subsection (33); and

488 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for
489 purposes of Subsection (24)(a), the commission may by rule define what constitutes the
490 following:

- 491 (i) conducting business in this state if that phrase has the same meaning in this
492 Subsection (24) as in Subsection (63);
- 493 (ii) the first use of a product if that phrase has the same meaning in this Subsection (24)
494 as in Subsection (63); or
- 495 (iii) a purpose for which a product is designed if that phrase has the same meaning in
496 this Subsection (24) as in Subsection (63);
- 497 (25) a product purchased for resale in this state, in the regular course of business, either
498 in its original form or as an ingredient or component part of a manufactured or compounded
499 product;
- 500 (26) a product upon which a sales or use tax was paid to some other state, or one of its
501 subdivisions, except that the state shall be paid any difference between the tax paid and the tax
502 imposed by this part and Part 2, Local Sales and Use Tax Act, and no adjustment is allowed if
503 the tax paid was greater than the tax imposed by this part and Part 2, Local Sales and Use Tax
504 Act;
- 505 (27) any sale of a service described in Subsections 59-12-103(1)(b), (c), and (d) to a
506 person for use in compounding a service taxable under the subsections;
- 507 (28) purchases made in accordance with the special supplemental nutrition program for
508 women, infants, and children established in 42 U.S.C. Sec. 1786;
- 509 (29) beginning on July 1, 1999, through June 30, 2014, sales or leases of rolls, rollers,
510 refractory brick, electric motors, or other replacement parts used in the furnaces, mills, or ovens
511 of a steel mill described in SIC Code 3312 of the 1987 Standard Industrial Classification
512 Manual of the federal Executive Office of the President, Office of Management and Budget;
- 513 (30) sales of a boat of a type required to be registered under Title 73, Chapter 18, State
514 Boating Act, a boat trailer, or an outboard motor if the boat, boat trailer, or outboard motor is:
- 515 (a) not registered in this state; and
- 516 (b) (i) not used in this state; or
- 517 (ii) used in this state:
- 518 (A) if the boat, boat trailer, or outboard motor is not used to conduct business, for a
519 time period that does not exceed the longer of:
- 520 (I) 30 days in any calendar year; or
- 521 (II) the time period necessary to transport the boat, boat trailer, or outboard motor to

522 the borders of this state; or

523 (B) if the boat, boat trailer, or outboard motor is used to conduct business, for the time
524 period necessary to transport the boat, boat trailer, or outboard motor to the borders of this
525 state;

526 (31) sales of aircraft manufactured in Utah;

527 (32) amounts paid for the purchase of telecommunications service for purposes of
528 providing telecommunications service;

529 (33) sales, leases, or uses of the following:

530 (a) a vehicle by an authorized carrier; or

531 (b) tangible personal property that is installed on a vehicle:

532 (i) sold or leased to or used by an authorized carrier; and

533 (ii) before the vehicle is placed in service for the first time;

534 (34) (a) 45% of the sales price of any new manufactured home; and

535 (b) 100% of the sales price of any used manufactured home;

536 (35) sales relating to schools and fundraising sales;

537 (36) sales or rentals of durable medical equipment if:

538 (a) a person presents a prescription for the durable medical equipment; and

539 (b) the durable medical equipment is used for home use only;

540 (37) (a) sales to a ski resort of electricity to operate a passenger ropeway as defined in
541 Section [72-11-102](#); and

542 (b) the commission shall by rule determine the method for calculating sales exempt
543 under Subsection (37)(a) that are not separately metered and accounted for in utility billings;

544 (38) sales to a ski resort of:

545 (a) snowmaking equipment;

546 (b) ski slope grooming equipment;

547 (c) passenger ropeways as defined in Section [72-11-102](#); or

548 (d) parts used in the repairs or renovations of equipment or passenger ropeways
549 described in Subsections (38)(a) through (c);

550 (39) sales of natural gas, electricity, heat, coal, fuel oil, or other fuels for industrial use;

551 (40) (a) subject to Subsection (40)(b), sales or rentals of the right to use or operate for
552 amusement, entertainment, or recreation an unassisted amusement device as defined in Section

553 59-12-102;

554 (b) if a seller that sells or rents at the same business location the right to use or operate
555 for amusement, entertainment, or recreation one or more unassisted amusement devices and
556 one or more assisted amusement devices, the exemption described in Subsection (40)(a)
557 applies if the seller separately accounts for the sales or rentals of the right to use or operate for
558 amusement, entertainment, or recreation for the assisted amusement devices; and

559 (c) for purposes of Subsection (40)(b) and in accordance with Title 63G, Chapter 3,
560 Utah Administrative Rulemaking Act, the commission may make rules:

561 (i) governing the circumstances under which sales are at the same business location;
562 and

563 (ii) establishing the procedures and requirements for a seller to separately account for
564 the sales or rentals of the right to use or operate for amusement, entertainment, or recreation for
565 assisted amusement devices;

566 (41) (a) sales of photocopies by:

567 (i) a governmental entity; or

568 (ii) an entity within the state system of public education, including:

569 (A) a school; or

570 (B) the State Board of Education; or

571 (b) sales of publications by a governmental entity;

572 (42) amounts paid for admission to an athletic event at an institution of higher
573 education that is subject to the provisions of Title IX of the Education Amendments of 1972,
574 20 U.S.C. Sec. 1681 et seq.;

575 (43) (a) sales made to or by:

576 (i) an area agency on aging; or

577 (ii) a senior citizen center owned by a county, city, or town; or

578 (b) sales made by a senior citizen center that contracts with an area agency on aging;

579 (44) sales or leases of semiconductor fabricating, processing, research, or development
580 materials regardless of whether the semiconductor fabricating, processing, research, or
581 development materials:

582 (a) actually come into contact with a semiconductor; or

583 (b) ultimately become incorporated into real property;

584 (45) an amount paid by or charged to a purchaser for accommodations and services
585 described in Subsection 59-12-103(1)(i) to the extent the amount is exempt under Section
586 59-12-104.2;

587 (46) beginning on September 1, 2001, the lease or use of a vehicle issued a temporary
588 sports event registration certificate in accordance with Section 41-3-306 for the event period
589 specified on the temporary sports event registration certificate;

590 (47) (a) sales or uses of electricity, if the sales or uses are made under a tariff adopted
591 by the Public Service Commission of Utah only for purchase of electricity produced from a
592 new alternative energy source, as designated in the tariff by the Public Service Commission of
593 Utah; and

594 (b) the exemption under Subsection (47)(a) applies to the portion of the tariff rate a
595 customer pays under the tariff described in Subsection (47)(a) that exceeds the tariff rate under
596 the tariff described in Subsection (47)(a) that the customer would have paid absent the tariff;

597 (48) sales or rentals of mobility enhancing equipment if a person presents a
598 prescription for the mobility enhancing equipment;

599 (49) sales of water in a:

- 600 (a) pipe;
- 601 (b) conduit;
- 602 (c) ditch; or
- 603 (d) reservoir;

604 (50) sales of currency or coins that constitute legal tender of a state, the United States,
605 or a foreign nation;

606 (51) (a) sales of an item described in Subsection (51)(b) if the item:

- 607 (i) does not constitute legal tender of a state, the United States, or a foreign nation; and
- 608 (ii) has a gold, silver, or platinum content of 50% or more; and

609 (b) Subsection (51)(a) applies to a gold, silver, or platinum:

- 610 (i) ingot;
- 611 (ii) bar;
- 612 (iii) medallion; or
- 613 (iv) decorative coin;

614 (52) amounts paid on a sale-leaseback transaction;

615 (53) sales of a prosthetic device:
616 (a) for use on or in a human; and
617 (b) (i) for which a prescription is required; or
618 (ii) if the prosthetic device is purchased by a hospital or other medical facility;
619 (54) (a) except as provided in Subsection (54)(b), purchases, leases, or rentals of
620 machinery or equipment by an establishment described in Subsection (54)(c) if the machinery
621 or equipment is primarily used in the production or postproduction of the following media for
622 commercial distribution:
623 (i) a motion picture;
624 (ii) a television program;
625 (iii) a movie made for television;
626 (iv) a music video;
627 (v) a commercial;
628 (vi) a documentary; or
629 (vii) a medium similar to Subsections (54)(a)(i) through (vi) as determined by the
630 commission by administrative rule made in accordance with Subsection (54)(d); or
631 (b) purchases, leases, or rentals of machinery or equipment by an establishment
632 described in Subsection (54)(c) that is used for the production or postproduction of the
633 following are subject to the taxes imposed by this chapter:
634 (i) a live musical performance;
635 (ii) a live news program; or
636 (iii) a live sporting event;
637 (c) the following establishments listed in the 1997 North American Industry
638 Classification System of the federal Executive Office of the President, Office of Management
639 and Budget, apply to Subsections (54)(a) and (b):
640 (i) NAICS Code 512110; or
641 (ii) NAICS Code 51219; and
642 (d) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
643 commission may by rule:
644 (i) prescribe what constitutes a medium similar to Subsections (54)(a)(i) through (vi);
645 or

- 646 (ii) define:
- 647 (A) "commercial distribution";
- 648 (B) "live musical performance";
- 649 (C) "live news program"; or
- 650 (D) "live sporting event";
- 651 (55) (a) leases of seven or more years or purchases made on or after July 1, 2004, but
- 652 on or before June 30, 2027, of tangible personal property that:
- 653 (i) is leased or purchased for or by a facility that:
- 654 (A) is an alternative energy electricity production facility;
- 655 (B) is located in the state; and
- 656 (C) (I) becomes operational on or after July 1, 2004; or
- 657 (II) has its generation capacity increased by one or more megawatts on or after July 1,
- 658 2004, as a result of the use of the tangible personal property;
- 659 (ii) has an economic life of five or more years; and
- 660 (iii) is used to make the facility or the increase in capacity of the facility described in
- 661 Subsection (55)(a)(i) operational up to the point of interconnection with an existing
- 662 transmission grid including:
- 663 (A) a wind turbine;
- 664 (B) generating equipment;
- 665 (C) a control and monitoring system;
- 666 (D) a power line;
- 667 (E) substation equipment;
- 668 (F) lighting;
- 669 (G) fencing;
- 670 (H) pipes; or
- 671 (I) other equipment used for locating a power line or pole; and
- 672 (b) this Subsection (55) does not apply to:
- 673 (i) tangible personal property used in construction of:
- 674 (A) a new alternative energy electricity production facility; or
- 675 (B) the increase in the capacity of an alternative energy electricity production facility;
- 676 (ii) contracted services required for construction and routine maintenance activities;

677 and

678 (iii) unless the tangible personal property is used or acquired for an increase in capacity
679 of the facility described in Subsection (55)(a)(i)(C)(II), tangible personal property used or
680 acquired after:

681 (A) the alternative energy electricity production facility described in Subsection
682 (55)(a)(i) is operational as described in Subsection (55)(a)(iii); or

683 (B) the increased capacity described in Subsection (55)(a)(i) is operational as described
684 in Subsection (55)(a)(iii);

685 (56) (a) leases of seven or more years or purchases made on or after July 1, 2004, but
686 on or before June 30, 2027, of tangible personal property that:

687 (i) is leased or purchased for or by a facility that:

688 (A) is a waste energy production facility;

689 (B) is located in the state; and

690 (C) (I) becomes operational on or after July 1, 2004; or

691 (II) has its generation capacity increased by one or more megawatts on or after July 1,
692 2004, as a result of the use of the tangible personal property;

693 (ii) has an economic life of five or more years; and

694 (iii) is used to make the facility or the increase in capacity of the facility described in
695 Subsection (56)(a)(i) operational up to the point of interconnection with an existing
696 transmission grid including:

697 (A) generating equipment;

698 (B) a control and monitoring system;

699 (C) a power line;

700 (D) substation equipment;

701 (E) lighting;

702 (F) fencing;

703 (G) pipes; or

704 (H) other equipment used for locating a power line or pole; and

705 (b) this Subsection (56) does not apply to:

706 (i) tangible personal property used in construction of:

707 (A) a new waste energy facility; or

708 (B) the increase in the capacity of a waste energy facility;
709 (ii) contracted services required for construction and routine maintenance activities;
710 and
711 (iii) unless the tangible personal property is used or acquired for an increase in capacity
712 described in Subsection (56)(a)(i)(C)(II), tangible personal property used or acquired after:
713 (A) the waste energy facility described in Subsection (56)(a)(i) is operational as
714 described in Subsection (56)(a)(iii); or
715 (B) the increased capacity described in Subsection (56)(a)(i) is operational as described
716 in Subsection (56)(a)(iii);
717 (57) (a) leases of five or more years or purchases made on or after July 1, 2004 but on
718 or before June 30, 2027, of tangible personal property that:
719 (i) is leased or purchased for or by a facility that:
720 (A) is located in the state;
721 (B) produces fuel from alternative energy, including:
722 (I) methanol; or
723 (II) ethanol; and
724 (C) (I) becomes operational on or after July 1, 2004; or
725 (II) has its capacity to produce fuel increase by 25% or more on or after July 1, 2004, as
726 a result of the installation of the tangible personal property;
727 (ii) has an economic life of five or more years; and
728 (iii) is installed on the facility described in Subsection (57)(a)(i);
729 (b) this Subsection (57) does not apply to:
730 (i) tangible personal property used in construction of:
731 (A) a new facility described in Subsection (57)(a)(i); or
732 (B) the increase in capacity of the facility described in Subsection (57)(a)(i); or
733 (ii) contracted services required for construction and routine maintenance activities;
734 and
735 (iii) unless the tangible personal property is used or acquired for an increase in capacity
736 described in Subsection (57)(a)(i)(C)(II), tangible personal property used or acquired after:
737 (A) the facility described in Subsection (57)(a)(i) is operational; or
738 (B) the increased capacity described in Subsection (57)(a)(i) is operational;

739 (58) (a) subject to Subsection (58)(b) or (c), sales of tangible personal property or a
740 product transferred electronically to a person within this state if that tangible personal property
741 or product transferred electronically is subsequently shipped outside the state and incorporated
742 pursuant to contract into and becomes a part of real property located outside of this state;

743 (b) the exemption under Subsection (58)(a) is not allowed to the extent that the other
744 state or political entity to which the tangible personal property is shipped imposes a sales, use,
745 gross receipts, or other similar transaction excise tax on the transaction against which the other
746 state or political entity allows a credit for sales and use taxes imposed by this chapter; and

747 (c) notwithstanding the time period of Subsection 59-1-1410(8) for filing for a refund,
748 a person may claim the exemption allowed by this Subsection (58) for a sale by filing for a
749 refund:

750 (i) if the sale is made on or after July 1, 2004, but on or before June 30, 2008;

751 (ii) as if this Subsection (58) as in effect on July 1, 2008, were in effect on the day on
752 which the sale is made;

753 (iii) if the person did not claim the exemption allowed by this Subsection (58) for the
754 sale prior to filing for the refund;

755 (iv) for sales and use taxes paid under this chapter on the sale;

756 (v) in accordance with Section 59-1-1410; and

757 (vi) subject to any extension allowed for filing for a refund under Section 59-1-1410, if
758 the person files for the refund on or before June 30, 2011;

759 (59) purchases:

760 (a) of one or more of the following items in printed or electronic format:

761 (i) a list containing information that includes one or more:

762 (A) names; or

763 (B) addresses; or

764 (ii) a database containing information that includes one or more:

765 (A) names; or

766 (B) addresses; and

767 (b) used to send direct mail;

768 (60) redemptions or repurchases of a product by a person if that product was:

769 (a) delivered to a pawnbroker as part of a pawn transaction; and

770 (b) redeemed or repurchased within the time period established in a written agreement
771 between the person and the pawnbroker for redeeming or repurchasing the product;

772 (61) (a) purchases or leases of an item described in Subsection (61)(b) if the item:

773 (i) is purchased or leased by, or on behalf of, a telecommunications service provider;

774 and

775 (ii) has a useful economic life of one or more years; and

776 (b) the following apply to Subsection (61)(a):

777 (i) telecommunications enabling or facilitating equipment, machinery, or software;

778 (ii) telecommunications equipment, machinery, or software required for 911 service;

779 (iii) telecommunications maintenance or repair equipment, machinery, or software;

780 (iv) telecommunications switching or routing equipment, machinery, or software; or

781 (v) telecommunications transmission equipment, machinery, or software;

782 (62) (a) beginning on July 1, 2006, and ending on June 30, 2027, purchases of tangible
783 personal property or a product transferred electronically that are used in the research and
784 development of alternative energy technology; and

785 (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
786 commission may, for purposes of Subsection (62)(a), make rules defining what constitutes
787 purchases of tangible personal property or a product transferred electronically that are used in
788 the research and development of alternative energy technology;

789 (63) (a) purchases of tangible personal property or a product transferred electronically
790 if:

791 (i) the tangible personal property or product transferred electronically is:

792 (A) purchased outside of this state;

793 (B) brought into this state at any time after the purchase described in Subsection
794 (63)(a)(i)(A); and

795 (C) used in conducting business in this state; and

796 (ii) for:

797 (A) tangible personal property or a product transferred electronically other than the
798 tangible personal property described in Subsection (63)(a)(ii)(B), the first use of the property
799 for a purpose for which the property is designed occurs outside of this state; or

800 (B) a vehicle other than a vehicle sold to an authorized carrier, the vehicle is registered

801 outside of this state;

802 (b) the exemption provided for in Subsection (63)(a) does not apply to:

803 (i) a lease or rental of tangible personal property or a product transferred electronically;

804 or

805 (ii) a sale of a vehicle exempt under Subsection (33); and

806 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for
807 purposes of Subsection (63)(a), the commission may by rule define what constitutes the
808 following:

809 (i) conducting business in this state if that phrase has the same meaning in this
810 Subsection (63) as in Subsection (24);

811 (ii) the first use of tangible personal property or a product transferred electronically if
812 that phrase has the same meaning in this Subsection (63) as in Subsection (24); or

813 (iii) a purpose for which tangible personal property or a product transferred
814 electronically is designed if that phrase has the same meaning in this Subsection (63) as in
815 Subsection (24);

816 (64) sales of disposable home medical equipment or supplies if:

817 (a) a person presents a prescription for the disposable home medical equipment or
818 supplies;

819 (b) the disposable home medical equipment or supplies are used exclusively by the
820 person to whom the prescription described in Subsection (64)(a) is issued; and

821 (c) the disposable home medical equipment and supplies are listed as eligible for
822 payment under:

823 (i) Title XVIII, federal Social Security Act; or

824 (ii) the state plan for medical assistance under Title XIX, federal Social Security Act;

825 (65) sales:

826 (a) to a public transit district under Title 17B, Chapter 2a, Part 8, Public Transit
827 District Act; or

828 (b) of tangible personal property to a subcontractor of a public transit district, if the
829 tangible personal property is:

830 (i) clearly identified; and

831 (ii) installed or converted to real property owned by the public transit district;

- 832 (66) sales of construction materials:
- 833 (a) purchased on or after July 1, 2010;
- 834 (b) purchased by, on behalf of, or for the benefit of an international airport:
- 835 (i) located within a county of the first class; and
- 836 (ii) that has a United States customs office on its premises; and
- 837 (c) if the construction materials are:
- 838 (i) clearly identified;
- 839 (ii) segregated; and
- 840 (iii) installed or converted to real property:
- 841 (A) owned or operated by the international airport described in Subsection (66)(b); and
- 842 (B) located at the international airport described in Subsection (66)(b);
- 843 (67) sales of construction materials:
- 844 (a) purchased on or after July 1, 2008;
- 845 (b) purchased by, on behalf of, or for the benefit of a new airport:
- 846 (i) located within a county of the second class; and
- 847 (ii) that is owned or operated by a city in which an airline as defined in Section
- 848 [59-2-102](#) is headquartered; and
- 849 (c) if the construction materials are:
- 850 (i) clearly identified;
- 851 (ii) segregated; and
- 852 (iii) installed or converted to real property:
- 853 (A) owned or operated by the new airport described in Subsection (67)(b);
- 854 (B) located at the new airport described in Subsection (67)(b); and
- 855 (C) as part of the construction of the new airport described in Subsection (67)(b);
- 856 (68) sales of fuel to a common carrier that is a railroad for use in a locomotive engine;
- 857 (69) purchases and sales described in Section [63H-4-111](#);
- 858 (70) (a) sales of tangible personal property to an aircraft maintenance, repair, and
- 859 overhaul provider for use in the maintenance, repair, overhaul, or refurbishment in this state of
- 860 a fixed wing turbine powered aircraft if that fixed wing turbine powered aircraft's registration
- 861 lists a state or country other than this state as the location of registry of the fixed wing turbine
- 862 powered aircraft; or

863 (b) sales of tangible personal property by an aircraft maintenance, repair, and overhaul
864 provider in connection with the maintenance, repair, overhaul, or refurbishment in this state of
865 a fixed wing turbine powered aircraft if that fixed wing turbine powered aircraft's registration
866 lists a state or country other than this state as the location of registry of the fixed wing turbine
867 powered aircraft;

868 (71) subject to Section 59-12-104.4, sales of a textbook for a higher education course:

869 (a) to a person admitted to an institution of higher education; and

870 (b) by a seller, other than a bookstore owned by an institution of higher education, if
871 51% or more of that seller's sales revenue for the previous calendar quarter are sales of a
872 textbook for a higher education course;

873 (72) a license fee or tax a municipality imposes in accordance with Subsection
874 10-1-203(5) on a purchaser from a business for which the municipality provides an enhanced
875 level of municipal services;

876 (73) amounts paid or charged for construction materials used in the construction of a
877 new or expanding life science research and development facility in the state, if the construction
878 materials are:

879 (a) clearly identified;

880 (b) segregated; and

881 (c) installed or converted to real property;

882 (74) amounts paid or charged for:

883 (a) a purchase or lease of machinery and equipment that:

884 (i) are used in performing qualified research:

885 (A) as defined in Section 59-7-612;

886 (B) in the state; and

887 (C) with respect to which the purchaser pays or incurs a qualified research expense as
888 defined in Section 59-7-612; and

889 (ii) have an economic life of three or more years; and

890 (b) normal operating repair or replacement parts:

891 (i) for the machinery and equipment described in Subsection (74)(a); and

892 (ii) that have an economic life of three or more years;

893 (75) a sale or lease of tangible personal property used in the preparation of prepared

894 food if:

895 (a) for a sale:

896 (i) the ownership of the seller and the ownership of the purchaser are identical; and

897 (ii) the seller or the purchaser paid a tax under this chapter on the purchase of that

898 tangible personal property prior to making the sale; or

899 (b) for a lease:

900 (i) the ownership of the lessor and the ownership of the lessee are identical; and

901 (ii) the lessor or the lessee paid a tax under this chapter on the purchase of that tangible

902 personal property prior to making the lease;

903 (76) (a) purchases of machinery or equipment if:

904 (i) the purchaser is an establishment described in NAICS Subsector 713, Amusement,

905 Gambling, and Recreation Industries, of the 2012 North American Industry Classification

906 System of the federal Executive Office of the President, Office of Management and Budget;

907 (ii) the machinery or equipment:

908 (A) has an economic life of three or more years; and

909 (B) is used by one or more persons who pay admission or user fees described in

910 Subsection 59-12-103(1)(f) to the purchaser of the machinery and equipment; and

911 (iii) 51% or more of the purchaser's sales revenue for the previous calendar quarter is:

912 (A) amounts paid or charged as admission or user fees described in Subsection

913 59-12-103(1)(f); and

914 (B) subject to taxation under this chapter;

915 (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

916 commission may make rules for verifying that 51% of a purchaser's sales revenue for the

917 previous calendar quarter is:

918 (i) amounts paid or charged as admission or user fees described in Subsection

919 59-12-103(1)(f); and

920 (ii) subject to taxation under this chapter; and

921 (c) on or before the November 2018 interim meeting, and every five years after the

922 November 2018 interim meeting, the commission shall review the exemption provided in this

923 Subsection (76) and report to the Revenue and Taxation Interim Committee on:

924 (i) the revenue lost to the state and local taxing jurisdictions as a result of the

925 exemption;

926 (ii) the purpose and effectiveness of the exemption; and

927 (iii) whether the exemption benefits the state;

928 (77) purchases of a short-term lodging consumable by a business that provides

929 accommodations and services described in Subsection 59-12-103(1)(i);

930 (78) amounts paid or charged to access a database:

931 (a) if the primary purpose for accessing the database is to view or retrieve information

932 from the database; and

933 (b) not including amounts paid or charged for a:

934 (i) digital audiowork;

935 (ii) digital audio-visual work; or

936 (iii) digital book;

937 (79) amounts paid or charged for a purchase or lease made by an electronic financial

938 payment service, of:

939 (a) machinery and equipment that:

940 (i) are used in the operation of the electronic financial payment service; and

941 (ii) have an economic life of three or more years; and

942 (b) normal operating repair or replacement parts that:

943 (i) are used in the operation of the electronic financial payment service; and

944 (ii) have an economic life of three or more years; ~~and~~

945 (80) beginning on April 1, 2013, sales of a fuel cell as defined in Section 54-15-102[-];

946 and

947 (81) sales of goods and services at a morale, welfare, and recreation facility, as defined

948 in Section 39-9-102, made pursuant to Title 39, Chapter 9, State Morale, Welfare, and

949 Recreation Program.