

27 operations, or a web search portal and the new exemption for a medical laboratory effective
 28 upon action by the federal government permitting the state to require remote sellers to collect
 29 sales and use tax; and

30 ▶ makes technical and conforming changes.

31 **Money Appropriated in this Bill:**

32 None

33 **Other Special Clauses:**

34 ~~§~~ → [None] This bill provides a special effective date. ← ~~§~~

35 **Utah Code Sections Affected:**

36 AMENDS:

37 **59-12-102**, as last amended by Laws of Utah 2017, Chapters 181, 382, and 422

38 **59-12-104**, as last amended by Laws of Utah 2017, Chapters 264, 268, and 429

39 **59-12-104.5**, as last amended by Laws of Utah 2017, Chapter 268

40 **59-12-104.7**, as enacted by Laws of Utah 2017, Chapter 268

41 **63N-1-302**, as enacted by Laws of Utah 2017, Chapter 268

42 ENACTS:

43 **59-12-104.8**, Utah Code Annotated 1953

44

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

46 Section 1. Section **59-12-102** is amended to read:

47 **59-12-102. Definitions.**

48 As used in this chapter:

49 (1) "800 service" means a telecommunications service that:

50 (a) allows a caller to dial a toll-free number without incurring a charge for the call; and

51 (b) is typically marketed:

52 (i) under the name 800 toll-free calling;

53 (ii) under the name 855 toll-free calling;

54 (iii) under the name 866 toll-free calling;

55 (iv) under the name 877 toll-free calling;

56 (v) under the name 888 toll-free calling; or

57 (vi) under a name similar to Subsections (1)(b)(i) through (v) as designated by the

2507 take effect, in accordance with Subsection (3), if the Supreme Court of the United States issues
 2508 a decision or Congress passes legislation that permits a state to require the following sellers to
 2509 collect a sales or use tax:

2510 (a) a seller that does not meet one or more of the criteria described in Subsection
 2511 59-12-107(2)(a); or

2512 (b) a seller that is not required to pay or collect and remit sales and use tax under
 2513 Subsection 59-12-107(2)(b).

2514 (3) (a) The commission shall make an electronic report regarding the action of the
 2515 Supreme Court of the United States or Congress immediately after the action becomes effective
 2516 to:

2517 (i) between the conclusion of the General Session and the conclusion of interim
 2518 meetings, the Revenue and Taxation Interim Committee; or

2519 (ii) between the conclusion of interim meetings and the conclusion of the General
 2520 Session:

2521 (A) the House Revenue and Taxation Standing Committee; and

2522 (B) the Senate Revenue and Taxation Standing Committee.

2523 (b) After receiving the report described in this Subsection (3), the committee shall:

2524 (i) review the action taken by the Supreme Court of the United States or Congress;

2525 (ii) ~~§~~ → **determine whether to** ← ~~§~~ direct the commission to:

2526 (A) implement the sales and use tax exemptions described in Subsections

2527 59-12-104(90) and (91) on the first day of the next calendar quarter that is at least 30 days after
 2528 the day on which the committee directs the commission; and

2529 (B) treat the sales and use tax exemptions described in Subsections 59-12-104(14),

2530 (84), (86), and (87) as subsumed by the sales and use tax exemption described in Subsection

2531 59-12-104(90) once the commission implements the sales and use tax exemption described in

2532 Subsection 59-12-104(90); and

2533 (iii) make a recommendation:

2534 (A) to the Legislative Management Committee that the Revenue and Taxation Interim

2535 Committee study whether as a result of the action by the Supreme Court of the United States or

2536 Congress, the Legislature should amend or repeal any provisions of this chapter; or

2537 (B) to the Legislative Management Committee or in the form of legislation regarding

2538 the need for amendment or repeal of any provisions of this chapter as a result of the action by
 2539 the Supreme Court of the United States or Congress and the implementation of this section.

2540 Section 6. Section **63N-1-302** is amended to read:

2541 **63N-1-302. Reporting of certain sales and use tax exempt purchases.**

2542 (1) (a) On or before October 1, a purchaser that receives a sales and use tax exemption
 2543 under Subsection 59-12-104(86) for the previous calendar year shall report to the office:

2544 (i) the total purchase or lease price for all machinery, equipment, or normal operating
 2545 repair or replacement parts for which the purchaser received the sales and use tax exemption
 2546 under Subsection 59-12-104(86); and

2547 (ii) the total amount of sales and use tax that the purchaser would have owed on the
 2548 purchase or lease price but for the exemption in Subsection 59-12-104(86).

2549 (b) On or before October 1, a purchaser that receives a sales and use tax exemption
 2550 under Subsection 59-12-104(87) for the previous calendar year shall report to the office:

2551 (i) the total purchase or lease price for all equipment or normal operating repair or
 2552 replacement parts for which the purchaser received the sales and use tax exemption under
 2553 Subsection 59-12-104(87); and

2554 (ii) the total amount of sales and use tax that the purchaser would have owed on the
 2555 purchase or lease price but for the exemption in Subsection 59-12-104(87).

2556 (2) On or before November 30, the office shall report the information received under
 2557 Subsection (1) to the Revenue and Taxation Interim Committee:

2558 (a) for each exemption; and

2559 (b) in the aggregate for all purchasers that make a report in accordance with this
 2560 section.

2561 (3) Once the commission implements the sales and use tax exemption described in
 2562 Subsection 59-12-104(90) in accordance with Section 59-12-104.8, the provisions described in
 2563 this section no longer have effect.

2563a **§→ Section 7. Effective date. ←§**

2563b **§→ This bill takes effect on July 1, 2018. ←§**

Legislative Review Note
Office of Legislative Research and General Counsel